



MANAGEMENT INFORMATION CIRCULAR

May 11, 2022



NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

When

Tuesday, June 22, 2022, at 10:00 a.m. (EDT)

Where

Due to the ongoing uncertainty of restrictions on gatherings in Toronto, Ontario arising from the public health impact of the Coronavirus (COVID-19), and to mitigate risks to the health and safety of our shareholders, employees, directors and other stakeholders, Torex Gold Resources Inc. (the “**Company**”) will hold the 2022 annual and special meeting of shareholders (the “**Meeting**”) as a virtual meeting conducted via live audio webcast. Shareholders can access the Meeting by visiting <https://meetnow.global/M72XRLQ>.

The Meeting is for the following purposes:

- to receive the audited financial statements of the Company for the year ended December 31, 2021 and the report of the auditors thereon;
- to elect Directors of the Company for the ensuing year;
- to re-appoint KPMG LLP, Chartered Professional Accountants, as auditors of the Company for the ensuing year and to authorize the Directors to fix their remuneration;
- to consider, and if deemed appropriate, to pass, with or without variation, an ordinary resolution to approve all unallocated share units under the Company’s employee share unit plan;
- to consider, and if deemed appropriate, to pass, with or without variation, an ordinary resolution to approve all unallocated share units under the Company’s restricted share plan;
- to consider, and if deemed appropriate, pass, with or without variation, a non-binding advisory resolution on executive compensation; and
- to transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof.

Receiving Materials for the Meeting

This notice is accompanied by the management information circular (the “**Circular**”), a form of proxy, and a supplemental mailing list and consent for electronic delivery return card (collectively, the “**Meeting Materials**”). For those shareholders who did not request to receive a copy of the Company’s audited financial statements, a copy is available upon request to the Company and can also be found on the Company’s website at www.torexgold.com or on SEDAR at www.sedar.com.

This year, as described in the notice and access notification mailed to shareholders of the Company, the Company has decided to deliver the Meeting Materials to all registered and non-registered shareholders by posting it to the website found at www.envisionreports.com/HGIQ2022. The use of this alternative means of delivery is more environmentally friendly as it will reduce paper use and the Company’s carbon footprint, and it will also reduce the Company’s printing and mailing costs. The Meeting Materials will also be available on SEDAR at www.sedar.com. The Company pays the cost of delivery of proxy materials for all registered and non-registered shareholders.

Shareholders may request copies of the Meeting Materials at no cost by calling toll-free at 1-866-962-0498; or, if outside of North America, by calling 514-982-8716, up to the date of the Meeting or any adjournment thereof, or thereafter by contacting the Company at 647-260-1500.

If you would like more information about the “notice-and-access” rules, please contact Computershare Investor Services Inc., the Company’s registrar and transfer agent, toll-free at 1-866-964-0492.



Your Vote is Important

As mentioned above, the Company is conducting an online only shareholders' meeting. Shareholders will not be able to attend the Meeting in person. In addition to mitigating the risks posed by COVID-19, the Company believes hosting the Meeting virtually will enable increased shareholder attendance from different geographic locations and will encourage more active shareholder engagement and participation at the Meeting. Shareholders will be able to listen to the Meeting live, submit questions and submit their vote while the Meeting is being held. Please note that Non-Registered Shareholders (as defined below) are required to take additional steps in order to participate, vote, or submit questions during the Meeting's live webcast.

Registered Shareholders (as defined in this Circular under the heading "Section 2 - Attendance and Voting at the Meeting" and duly appointed proxyholders can attend the Meeting online at <https://meetnow.global/M72XRLQ> where they can participate, vote, or submit questions during the Meeting's live webcast.

If you are a Registered Shareholder, you will need to enter the 15-digit control number (the "**Control Number**") as your username. The Control Number is located on your form of proxy or in the email notification you received in order to access the Meeting. If you wish to appoint a proxyholder to represent you at the Meeting, please see "Section 2 - Attendance and Voting at the Meeting" for instructions.

Most shareholders of the Company are "non-registered" shareholders ("**Non-Registered Shareholders**") because the shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the common shares. **In order to participate, vote, or submit questions during the Meeting's live webcast, a Non-Registered Shareholder will need to appoint themselves as a proxyholder.** See "Section 6 - Voting by Non-Registered Shareholders" in the Circular for information on how a Non-Registered Shareholder may make arrangements to be duly appointed as a proxyholder.

Shareholders who are unable to attend the Meeting are requested to complete, date, sign and return the form of proxy.

The board of directors of the Company has, by resolution, fixed the close of business on May 13, 2022 as the record date, being the date for the determination of the registered holders of common shares entitled to notice of and to vote at the Meeting and any adjournment or adjournments thereof.

The board of directors of the Company has, by resolution, fixed 10:00 AM (EDT) on June 20, 2022, or 48 hours (excluding Saturdays, Sundays and holidays) before any adjournments, as the time by which proxies to be used or acted upon at the Meeting or any adjournment or adjournments thereof shall be deposited with the Company's transfer agent, Computershare Investor Services Inc., in accordance with the instructions set forth in the accompanying Circular and in the form of proxy. Late proxies may be accepted or rejected by the Chair of the Meeting in his discretion, and the Chair is under no obligation to accept or reject any particular late proxy.

DATED at Toronto, Ontario this 11th day of May, 2022.

BY ORDER OF THE BOARD OF DIRECTORS

A handwritten signature in blue ink, appearing to read "Jody Kuzenko".

Jody Kuzenko
President and Chief Executive Officer

MANAGEMENT INFORMATION CIRCULAR
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1. BUSINESS OF THE MEETING

1.1 Receive Financial Statements

The audited consolidated financial statements (“**Financial Statements**”) for the year ended December 31, 2021, as well as management’s discussion and analysis for Torex Gold Resources Inc. (“**Torex**” or the “**Company**”) for the year ended December 31, 2021, will be presented at the annual and special meeting of shareholders (the “**Meeting**”) of the Company to be held virtually at the time and for the purposes set forth in the accompanying Notice of Annual and Special Meeting.

A copy of the Financial Statements and the auditors’ report can be downloaded from the Company’s website (www.torexgold.com). You may also request a copy from the Company (see “Section 18 - Additional Information”).

1.2 Election of Directors

The Company’s articles provide that the board of directors (the “**Board**”) may consist of a minimum of three and a maximum of eleven directors (“**Directors**”). The Board presently consists of nine Directors. The Board has determined to fix the number of Directors at eight and nominate each of the following persons for election as a Director at the Meeting: Richard (Rick) A. Howes, Jody L.M. Kuzenko, Tony S. Giardini, Jennifer J. Hooper, Jay C. Kellerman, Rosalie (Rosie) C. Moore, Roy S. Slack and Elizabeth A. Wademan. All nominees are current members of the Board.

Management does not contemplate that any of the nominees will be unable to serve as a Director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority shall be exercised by the persons named in the accompanying proxy to vote the proxy for the election of any other person or persons in place of any nominee or nominees unable to serve. Each Director elected will hold office until the close of the next annual meeting of shareholders of the Company unless their office is earlier vacated.

The Company’s by-laws require advance notice to the Company in circumstances where nominations of persons for election to the Board are made by shareholders of the Company, other than pursuant to a requisition of a meeting made pursuant to the provisions of the *Business Corporations Act* (Ontario) (the “**Act**”) or a shareholder proposal made pursuant to the provisions of the Act. As at the date hereof, the Company has not received notice of any Director nominations by shareholders in connection with the Meeting.

“Section 11.1 - Information About Director Nominees - Director Profiles” provides information on each Director’s background, education, experience and committee membership.

A shareholder may vote *for* all the nominated Directors, vote *for* some of them and *withhold* votes for others or *withhold* votes for all the Director nominees (see also “Section 11.6 - Information About Director Nominees - Majority Voting for Directors”).

The Board and management recommend voting FOR each of the eight nominees.

Unless authority to do so is withheld, the persons named in the accompanying proxy intend to vote **FOR** each of the eight nominees.

1.3 Re-appointment of the Auditors

At the Meeting, shareholders will vote on the re-appointment of KPMG LLP, Chartered Professional Accountants, as auditors of the Company for the ensuing year and to authorize the Directors to fix their remuneration. KPMG LLP was first appointed as auditors of the Company on March 2, 2010. Additional information on the Company's auditors is included in the Company's most recent Annual Information Form available on SEDAR at www.sedar.com.

A shareholder may vote *for* the re-appointment of KPMG LLP or *withhold* their vote.

The Board and management recommend voting FOR re-appointing KPMG as the auditors of the Company.

Unless authority to do so is withheld, the persons named in the accompanying proxy intend to vote **FOR** the appointment of KPMG LLP, Chartered Professional Accountants, as auditors of the Company until the close of the next annual meeting of shareholders.

1.4 Approval of Unallocated Share Units under the Employee Share Unit Plan

The Company has an employee share unit plan (the "**ESU Plan**") under which eligible employees and officers of the Company may be granted Share Units (as defined below).

A description of the ESU Plan is set out under "Section 15.1 – Employee Share Unit Plan" and a copy of the ESU Plan is attached as Schedule A to this Circular.

The maximum number of Common Shares (as defined below) issuable under the ESU Plan and all other share compensation arrangements is currently 5.7% of the issued and outstanding Common Shares (on a non-diluted basis). Because the ESU Plan does not have a fixed maximum aggregate number of securities issuable, Section 613 of the TSX Company Manual requires that unallocated options, rights or other entitlements under the ESU Plan must be approved by a majority of the Company's directors and the Company's shareholders every three years. The ESU Plan was approved by shareholders on June 20, 2019. Accordingly, the Company must seek shareholder approval at the Meeting for all of the unallocated Share Units under the ESU Plan.

If approval is obtained at the Meeting, the Company will not be required to seek further approval of the award of unallocated Share Units under the ESU Plan until the Company's 2025 annual general meeting (provided such meeting is held before June 22, 2025). If approval is not obtained at the Meeting, the Company must not award any further Share Units under the ESU Plan and Share Units which had been awarded as of the date of the Meeting and are subsequently cancelled, terminated or redeemed will not be available for a new award of Share Units; however, all Share Units that have been awarded before June 22, 2022 but not yet redeemed will continue unaffected.

The ESU Plan resolution must be approved by a simple majority of the votes cast by shareholders voting in person or by proxy at the Meeting.

Shareholders may vote *for* or *against* the ESU Plan resolution.

The Board and management recommend voting FOR the ESU Plan resolution.

Unless the shareholder has specified in the accompanying form of proxy that their Common Shares are to be voted against the ESU Plan resolution, the persons named in the accompanying form of proxy will vote the Common Shares represented thereby **FOR** the ESU Plan resolution.

At the Meeting, shareholders will be asked to consider and, if deemed appropriate, pass a resolution in the form set out below, subject to such amendments, variations or additions as may be approved at the Meeting, approving the unallocated Share Units issuable pursuant to the ESU Plan.

“BE IT RESOLVED THAT:

- (a) the unallocated Share Units issuable pursuant to the ESU Plan be and are hereby approved and authorized until the date of the Company’s annual shareholders’ meeting to be held in 2025 (provided such meeting is held on or before June 22, 2025); and
- (b) any director or officer is hereby authorized to take all necessary steps and proceedings, and to execute, deliver and file any and all applications, declarations, documents and other instruments, and do all such other acts and things (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this resolution.”

1.5 Approval of Unallocated Restricted Share Units under the Restricted Share Plan

The Company has a restricted share unit plan (the “**RSU Plan**”) under which directors, key employees and consultants of the Company may be granted restricted share units (“**RSUs**”). A description of the RSU Plan is set out under “Section 15.2 – Restricted Share Plan” and a copy of the RSU Plan is attached as Schedule B to this Circular.

In December 2021, the Board decided that stock options granted to Directors in 2021 would be the last option awards made to Directors under the Company’s Incentive Stock Option Plan (the “**Stock Option Plan**”). In 2022, the Director equity compensation awards were solely in RSUs. As equity compensation for employees does not include stock options, the Company will not grant any further stock options under the Stock Option Plan. Consequently, the Company is not seeking approval of unallocated stock options under the Stock Option Plan and the Stock Option Plan will terminate once all of the outstanding stock options are exercised or have expired. (see “Section 15.3 – Stock Option Plan”)

The maximum number of Common Shares issuable under the RSU Plan and all other share compensation arrangements is currently 5.7% of the issued and outstanding Common Shares (on a non-diluted basis). Because the RSU Plan does not have a fixed maximum aggregate number of securities issuable, Section 613 of the TSX Company Manual requires that unallocated options, rights or other entitlements under the RSU Plan must be approved by a majority of the Company’s directors and the Company’s shareholders every three years. The RSU Plan was most recently approved by shareholders on June 20, 2019. Accordingly, the Company must seek shareholder approval at the Meeting for all of the unallocated RSUs under the RSU Plan.

If approval is obtained at the Meeting, the Company will not be required to seek further approval of the award of unallocated RSUs under the RSU until the Company’s 2025 annual general meeting (provided such meeting is held before June 22, 2025). If approval is not obtained at the Meeting, the Company must not award any further RSUs under the RSU Plan and RSUs which had been awarded as of the date of the Meeting and are subsequently cancelled, terminated or settled will not be available for a new award of RSUs; however, all RSUs that have been awarded before June 22, 2022 but not yet settled will continue unaffected.

The RSU Plan resolution must be approved by a simple majority of the votes cast by shareholders voting in person or by proxy at the Meeting.

Shareholders may vote *for* or *against* the RSU Plan resolution.

The Board and management recommend voting FOR the RSU Plan resolution.

Unless the shareholder has specified in the accompanying form of proxy that their Common Shares are to be voted against the RSU Plan resolution, the persons named in the accompanying form of proxy will vote the Common Shares represented thereby **FOR** the RSU Plan resolution.

At the Meeting, shareholders will be asked to consider and, if deemed appropriate, pass a resolution in the form set out below, subject to such amendments, variations or additions as may be approved at the Meeting, approving the unallocated RSUs issuable pursuant to the RSU Plan.

“BE IT RESOLVED THAT:

- (a) the unallocated RSUs issuable pursuant to the RSU Plan be and are hereby approved and authorized until the date of the Company’s annual shareholders’ meeting to be held in 2025 (provided such meeting is held on or before June 22, 2025); and
- (c) any director or officer is hereby authorized to take all necessary steps and proceedings, and to execute, deliver and file any and all applications, declarations, documents and other instruments, and do all such other acts and things (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this resolution.”

1.6 “Say on Pay” Advisory Vote

The Board has adopted a policy that provides for an annual advisory shareholder vote on executive compensation known as “Say on Pay”. The Say on Pay Policy is designed to enhance accountability for the Board’s compensation decisions by giving shareholders a formal opportunity to provide their views on the Board’s approach to executive compensation through an annual non-binding advisory vote. This is an advisory vote and the results will not be binding upon the Board. However, the Board will take the results of the vote into account, as appropriate, when considering future compensation policies, procedures and decisions and in determining whether there is a need to significantly increase their engagement with shareholders on compensation and related matters. The Company will disclose the results of the shareholder advisory vote as a part of its report on voting results for the Meeting.

The Company’s approach to executive compensation was accepted at the previous shareholder meeting held on June 29, 2021; 59,718,710 (98.19%) of the votes were “for” and 1,098,546 (1.81%) of the votes were “against” the non-binding advisory resolution.

Shareholders are encouraged to review and consider the detailed information regarding the Company’s approach to compensation in “Section 12 - Statement of Executive and Director Compensation”.

Shareholders may vote *for* or *against* the Say on Pay advisory resolution.

The Board and management recommend voting FOR the Say on Pay advisory resolution.

Unless authority to do so is withheld, the persons named in the enclosed form of proxy intend to vote **FOR** the Say on Pay resolution.

At the Meeting, shareholders will be asked to consider the following non-binding advisory resolution on the acceptance of the Company’s approach to executive compensation:

“BE IT RESOLVED THAT, on an advisory basis and not to diminish the role and responsibilities of the Board, the shareholders accept the approach to executive compensation disclosed in the Company’s information circular dated May 11, 2022 and delivered in advance of the Meeting.”

2. ATTENDANCE AND VOTING AT MEETING

A registered holder of Common Shares (a “Registered Shareholder”) and a duly appointed proxyholder can attend the Meeting online by going to <https://meetnow.global/M72XRLQ>.

- Registered Shareholders can participate in the Meeting by clicking “Shareholder” and entering their 15-digit Control Number before the start of the Meeting. The 15-digit control number is located on the Form of Proxy or in the email notification you received.
- Duly appointed proxyholders can participate in the Meeting by clicking “Invitation” and entering an Invite Code before the start of the Meeting. Computershare Trust Company of Canada (“Computershare”) will provide the proxyholder with an Invite Code by email after the voting deadline has passed.
- Voting at the Meeting will only be available for Registered Shareholders and duly appointed proxyholders. Non-Registered Shareholders (as defined in this Circular under the heading “Section 6 - Voting by Non-Registered Shareholders”) who have not appointed themselves to vote at the Meeting may attend the Meeting by clicking “I am a guest” and completing the online form.

Shareholders who wish to appoint a third-party proxyholder to represent them at the online Meeting **must submit their proxy or voting instruction form (as applicable) prior to registering their proxyholder. Registering the proxyholder is an additional step once a shareholder has submitted their proxy/voting instruction form. Failure to register a duly appointed proxyholder will result in the proxyholder not receiving a username to participate in the Meeting.** To register a proxyholder, shareholders MUST visit <https://www.computershare.com/Torex> by **10:00 AM EDT on June 20, 2022** and provide Computershare with their proxyholder’s contact information, so that Computershare may provide the proxyholder with a username via email. See the heading “Section 4 - Appointment and Revocation of Proxies” for further information.

It is important that you are connected to the internet at all times during the Meeting in order to vote when voting commences. It is your responsibility to ensure connectivity for the duration of the Meeting.

In order to participate online, shareholders must have a valid 15-digit control number and proxyholders must have received an email from Computershare containing a username.

Participating at the Meeting

The Meeting will be hosted online by way of a live webcast. Shareholders will not be able to attend the Meeting in person. A summary of the information shareholders will need to attend the online Meeting is provided below. The Meeting will begin at 10:00 AM EDT on June 22, 2022.

- Registered Shareholders that have a 15-digit control number, along with duly appointed proxyholders who were assigned a username by Computershare (see details under the heading “Section 6 - Voting by Non-Registered Shareholders”), will be able to vote and submit questions during the Meeting. To do so, please go to <https://meetnow.global/M72XRLQ> prior to the start of the Meeting to login. Non-Registered Shareholders who have not appointed themselves to vote at the Meeting, may log in as a guest, by clicking on “I am a Guest” and complete the online form.
- United States Beneficial holders: To attend and vote at the virtual Meeting, you must first obtain a valid legal proxy from your broker, bank or other agent and then register in advance to attend the

Meeting. Follow the instructions from your broker or bank included with these proxy materials, or contact your broker or bank to request a legal proxy form. After first obtaining a valid legal proxy from your broker, bank or other agent, to then register to attend the Meeting, you must submit a copy of your legal proxy to Computershare. Requests for registration should be directed to:

Computershare Investor Services Inc.
100 University Avenue
8th Floor
Toronto, Ontario
M5J 2Y1
OR
Email at uslegalproxy@computershare.com

Requests for registration must be labeled as “Legal Proxy” and be received no later than June 20, 2022 by **10:00 AM EDT**. You will receive a confirmation of your registration by email after the Company receives your registration materials. You may attend the Meeting and vote your shares at <https://meetnow.global/M72XRLQ> during the Meeting. Please note that you are required to register your appointment at <https://www.computershare.com/Torex>.

- Non-Registered Shareholders who do not have a 15-digit control number or username will only be able to attend as a guest which allows them listen to the Meeting; however, they will not be able to vote or submit questions. Please see the information under the heading “Section 6 - Voting by Non-Registered Shareholders” for an explanation of why certain shareholders may not receive a form of proxy.
- If you are using a 15-digit control number to login to the online Meeting and you accept the terms and conditions, you will be revoking any and all previously submitted proxies. However, in such a case, you will be provided the opportunity to vote on the matters put forth at the Meeting. If you **DO NOT** wish to revoke all previously submitted proxies, do not accept the terms and conditions, in which case you can only enter the Meeting as a guest.

Voting at the Meeting

A Registered Shareholder, or a Non-Registered Shareholder who has appointed themselves or a third-party proxyholder to represent them at the Meeting, will appear on a list of shareholders prepared by Computershare, the transfer agent and registrar for the Meeting. Each Registered Shareholder or proxyholder will be required to enter their control number or username provided by Computershare at <https://meetnow.global/M72XRLQ> prior to the start of the Meeting to have their Common Shares voted at the Meeting. In order to vote, Non-Registered Shareholders who appoint themselves as a proxyholder **MUST** register with Computershare at <https://www.computershare.com/Torex> after submitting their voting instruction form in order to receive a username (please see the information under the heading “Section 6 - Voting by Non-Registered Shareholders” below for details).

3. SOLICITATION OF PROXIES

This Circular is furnished in connection with the solicitation of proxies by management and the Directors of the Company for use at the Meeting of the Company to be held virtually, at the time and for the purposes set forth in the accompanying Notice of Annual and Special Meeting. References in the Circular to the Meeting include any adjournment(s) thereof. It is expected that the solicitation will be

primarily by mail, using notice and access; however, proxies may also be solicited personally by the Directors and by regular employees of the Company. The cost of solicitation will be borne by the Company.

The Board of the Company has fixed the close of business on May 13, 2022 as the record date, being the date for the determination of the registered holders of securities entitled to receive notice of and to vote at the Meeting. Duly completed and executed proxies must be received by the Company's transfer agent, Computershare Investor Services Inc., at the address indicated on the envelope accompanying the form of proxy no later than 10:00 AM (EDT) on June 20, 2022, or no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjourned Meeting. Late proxies may be accepted or rejected by the Chair of the Meeting in his discretion, and the Chair is under no obligation to accept or reject any particular late proxy.

Unless otherwise stated, the information contained in the Circular is as of May 11, 2022. **In the Circular, all dollar amounts referenced, unless otherwise indicated, are expressed in Canadian dollars.**

Registered shareholders and duly appointed proxyholders (including beneficial shareholders who have duly appointed themselves as proxyholders) who participate at the Meeting online will be able to listen to the Meeting, ask questions and vote, all in real time, provided that they are connected to the Internet, please see "Section 2 - Attendance and Voting at the Meeting" for further information.

4. APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the form of proxy are officers and/or Directors of the Company. **A shareholder wishing to appoint some other person to represent them at the Meeting, may do so by inserting the person's name in the blank space provided in the form of proxy or by completing another proper form of proxy. The person (the "proxyholder") appointed does not have to be a shareholder of the Company. The completed and signed form of proxy must be delivered to the office of the Company's transfer agent, Computershare, no later than 10:00 AM (EDT) on June 20, 2022 or no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjourned Meeting.** A proxy can be delivered to Computershare either in person, or by mail or courier, to 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, or via the internet at www.investorvote.com.

A shareholder forwarding the proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the shareholder giving the proxy wishes to confer discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The Common Shares of the Company represented by the proxy submitted by a shareholder will be voted in accordance with the directions, if any, given in the proxy.

A proxy given pursuant to this solicitation may be revoked by an instrument in writing signed by a shareholder or by a shareholder's attorney authorized in writing (or, if the shareholder is a corporation, by a duly authorized officer or attorney) and delivered to the head office of the Company (Torex Gold Resources Inc., Exchange Tower, 130 King Street West, Suite 740, Toronto, Ontario M5X 2A2, Attention: Mary Batoff, General Counsel and Corporate Secretary) at any time up to and including the last business day preceding the day of the Meeting or with the Chair of the Meeting on the day of the Meeting or in any other manner permitted by law.

Shareholders who wish to appoint a third-party proxyholder to represent them at the online Meeting **must submit their proxy or voting instruction form (if applicable) prior to registering your proxyholder. Registering your proxyholder is an additional step once you have submitted your proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving a**

username to participate in the Meeting. To register a proxyholder, shareholders MUST visit <https://www.computershare.com/Torex> by June 20, 2022 at 10:00 a.m. (EDT) and provide Computershare with their proxyholder's contact information, so that Computershare may provide the proxyholder with a username via email.

Without a Username, proxyholders will not be able to vote at the Meeting.

If you are using a 15-digit control number to login to the online Meeting and you accept the terms and conditions, you will be revoking any and all previously submitted proxies. However, in such a case, you will be provided the opportunity to vote on the matters put forth at the Meeting. If you **DO NOT** wish to revoke all previously submitted proxies, do not accept the terms and conditions, in which case you can only enter the Meeting as a guest.

5. EXERCISE OF DISCRETION BY PROXIES

The persons named in the form of proxy will vote the Common Shares in respect of which they are appointed in accordance with the direction of the shareholders appointing them. **In the absence of such direction, such Common Shares will be voted in favour of the passing of all the resolutions described above. The form of proxy confers discretionary authority upon the persons named in the proxy with respect to amendments or variations to matters identified in the Notice of Annual and Special Meeting and with respect to other matters which may properly come before the Meeting.** As at the date hereof, management knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters which are not now known to management should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the person(s) named in the proxies.

6. VOTING BY NON-REGISTERED SHAREHOLDERS

Only Registered Shareholders of the Company or the persons they appoint as their proxies are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" shareholders ("**Non-Registered Shareholders**") because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares. Common Shares beneficially owned by a Non-Registered Shareholder are registered either: (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Shareholder deals with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as CDS & Co.) of which the Intermediary is a participant.

In accordance with applicable securities law requirements, the Company will have distributed copies of the notice and access notification, a voting instruction form and the supplemental mailing list and consent for electronic delivery return card (collectively, the "**Mailed Materials**") to the clearing agencies and Intermediaries for distribution to Non-Registered Shareholders, and posted the Circular and the accompanying Notice of Annual and Special Meeting on the website found at <http://www.envisionreports.com/HGIQ2022>. The Company is not sending the Mailed Materials directly to non-objecting beneficial owners. The Company intends to pay for Intermediaries to deliver the Mailed Materials to the objecting beneficial owners. See also "Section 7 - Notice and Access" for further information.

Intermediaries are required to forward the Mailed Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Mailed Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Mailed Materials will either:

- be given a voting instruction form **which is not signed by the Intermediary** and which, when properly completed and signed by the Non-Registered Shareholder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a “**voting instruction form**”) which the Intermediary must follow. Typically, the voting instruction form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the voting instruction form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label with a bar-code and other information. In order for the form of proxy to validly constitute a voting instruction form, the Non-Registered Shareholder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company; or
- be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy should properly complete the form of proxy and deposit it with the Company, at the appropriate address noted on the form of proxy.

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Shareholder who receives one of the above forms wish to vote at the on-line Meeting (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the persons named in the form of proxy and insert the Non-Registered Shareholder or such other person’s name in the blank space provided. **In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or voting instruction form is to be delivered.**

A Non-Registered Shareholder may revoke a voting instruction form or a waiver of the right to receive Mailed Materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive Mailed Materials and to vote which is not received by the Intermediary at least seven days prior to the Meeting.

7. NOTICE AND ACCESS

Securities laws governing the delivery of proxy-related materials, permit public companies to advise their shareholders of the availability of the management information circular on an easily accessible website, rather than mailing physical copies. The use of this alternative means of delivery is more environmentally friendly as it will reduce paper use and the Company’s carbon footprint, and it will also reduce the Company’s printing and mailing costs. The Company has therefore decided to deliver the Circular to shareholders by posting it on the website found at <http://www.envisionreports.com/HGIQ2022>. The Circular and related Meeting materials will also be available under the Company’s profile on SEDAR at

www.sedar.com. All shareholders will also receive a notice and access notification which will contain information on how to obtain electronic and paper copies of the Circular in advance of the Meeting.

Shareholders who wish to receive paper copies of the Circular may request copies at no cost by calling toll-free at 1-866-962-0498; or, if outside of North America, by calling 514-982-8716, up to the date of the Meeting or any adjournment thereof, or thereafter by contacting the Company at 647-260-1500.

Requests for paper copies must be received by June 13, 2022, or at least 10 days in advance of any date the Meeting is adjourned to, in order to receive the Circular in advance of the proxy deposit deadline (being 10:00 AM (EDT) on June 20, 2022, or 48 hours prior excluding Saturdays, Sundays and holidays, to any adjourned Meeting date). The Circular will be sent to such shareholders within three business days of their request, if such requests are made within the foregoing timeframe.

If you would like more information about the “notice-and-access” rules, please contact Computershare Investor Services Inc., the Company’s registrar and transfer agent, toll-free at 1-866-964-0492.

8. VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Each Common Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting. The record date for the determination of shareholders entitled to receive notice of and to vote at the Meeting has been fixed at May 13, 2022. All such holders of record of Common Shares are entitled either to attend and vote at the on-line Meeting the Common Shares held by them or, provided a completed and executed proxy shall have been delivered to the Company’s transfer agent within the time specified in the attached Notice of Annual and Special Meeting, to attend and vote at the Meeting by proxy the Common Shares held by them. As of May 11, 2022, 85,842,014 Common Shares were issued and outstanding.

To the knowledge of the Directors and executive officers of the Company, as of May 11, 2022, there were no persons, or companies who beneficially owned, directly or indirectly, or exercised control or direction over voting securities of the Company carrying more than 10% of the voting rights attached to any class of voting securities of the Company, other than:

Name	Number of Common Shares Held ⁽¹⁾	Percentage of Common Shares Issued and Outstanding
BlackRock, Inc.	12,967,099	15.11%

Notes:

(1) The information as to Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, not being within the knowledge of the Company, is based on the filings made on SEDAR by the shareholder(s) listed above pursuant to National Instrument 62-103.

9. INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No (a) Director or executive officer of the Company who has held such position at any time since January 1, 2021; (b) proposed nominee for election as a Director of the Company; or (c) associate or affiliate of a person in (a) or (b) has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the approval of the unallocated share units under the Employee Share Unit Plan, the approval of the unallocated restricted share units under the Restricted Share Plan and the advisory shareholder vote on executive compensation. See “Section 1.4 – Approval of Unallocated Share Units under the Employment Share Unit Plan”, “Section 1.5 – Approval of Unallocated Restricted Share Units under the Restricted Share Plan” and “Section 1.6 – “Say on Pay” Advisory Vote”.

10. CORPORATE GOVERNANCE PRACTICES

National Policy 58-201 *Corporate Governance Guidelines* (the “**Governance Guidelines**”) sets out best practice guidelines for effective corporate governance. The Governance Guidelines deal with matters such as the constitution and independence of corporate boards, their functions, the effectiveness and education of board members and other items dealing with sound corporate governance. National Instrument 58-101 *Disclosure of Corporate Governance Practices* (the “**Governance Disclosure Rule**”) requires that if management of an issuer solicits proxies from its securityholders for the purpose of electing Directors, specified disclosure of the corporate governance practices must be included in the management information circular.

The Company and the Board recognize the importance of corporate governance to the effective management of the Company and to the protection of its employees, shareholders and other stakeholders. The Company’s approach to significant issues of corporate governance is designed with a view to ensuring that the business and affairs of the Company are effectively managed so as to enhance shareholder value. The Board fulfills its mandate directly and through its committees at regularly scheduled meetings or at meetings held as required. Frequency of meetings may be increased and the nature of the agenda items may be changed depending upon the state of the Company’s affairs and in light of opportunities or risks which the Company faces. The Directors are kept informed of the Company’s business and affairs at these meetings as well as through reports and discussions with management on matters within their particular areas of expertise.

The Board has considered the Governance Guidelines and believes that its approach to corporate governance is appropriate and works effectively given the Company’s current status. The Company continues to monitor developments in Canada and the U.S. with a view to keeping its governance policies and practices current.

The Governance Disclosure Rule mandates the disclosure of the corporate governance practices of the Company, which disclosure is set out below.

10.1 Board and Governance Highlights

10.1.1 Execution on Growth Strategy

During the latter half of 2020 and through to the first quarter of 2022, the Board, through the Technical Committee, provided oversight of the evaluation of the Media Luna project (the “**Media Luna Project**”) and the early works program to maintain the schedule to first production from the Media Luna Project in the first quarter of 2024. On March 31, 2022, the Company issued an updated technical report (the “**Technical Report**”) which included the results of the feasibility study of the integrated life of mine plan and economics for the producing El Limón Guajes (“**ELG**”) Mine Complex (consisting of the ELG open pits and ELG underground mine) and the advanced development stage Media Luna Project (the ELG Mine Complex, the Media Luna Project, processing plant and related infrastructure are collectively the “**Morelos Complex**”) and the approval from the Board to proceed with the development of the Media Luna Project. With this investment in the Media Luna Project, and investment in exploration of the broader Morelos property (the “**Morelos Property**”), the Company expects to set up the Morelos Complex for safe and reliable production and strong free cash flow post the construction period and to lay the foundation for the future growth of the Company. The Technical Report titled “NI-43-101 Technical Report – ELG Mine Complex Life of Mine Plan and Media Luna Feasibility Study”, with an effective date of March 16, 2022, is available under the Company’s SEDAR profile at www.sedar.com and on the Company’s website at www.torexgold.com.

10.1.2 Continuing Focus on ESG

Torex strives to conduct itself in a manner that is and is viewed by others to be trustworthy, loving, courageous, dignifying, honest and fair. The Company believes these core values are the key to its success and, for that reason, they are the foundation of the Company's Code of Business Conduct and Ethics. As such, responsible mining is central to the Company's business philosophy and ingrained in decision making at all levels of the Company, from the Board and executive team, through to the operations management and individual employees. Key highlights of the Company's 2021 and first quarter 2022 ESG initiatives and performance include:

- Formally adopted the Global Industry Standard on Tailings Management.
- Became a signatory to the International Cyanide Management Code.
- Zero reportable environmental incidents.
- Safety excellence continued with the Company exiting 2021 with a lost time injury frequency of 0.14 per million hours worked, on a rolling 12-month basis.
- 100% compliance with commitments made under the 2021 development agreements (CODECOPs) with the 11 local communities surrounding the Company's ELG Mine Complex and Media Luna Project. CODECOPs for 2022 were negotiated and signed with each of the local communities.
- A human rights impact assessment was conducted by a global expert in the field. The impact assessment will fill a key requirement in the implementation of the World Gold Council Responsible Gold Mining Principles, as well as the Global Industry Standard on Tailings Management.
- Released a Year 1 Responsible Gold Mining Principles - Implementation Progress Report, with accompanying limited assurance from KPMG LLP. Doing so fulfilled the Year 1 requirements set out by the World Gold Council.
- Completed a detailed energy audit at the ELG Mine Complex to identify carbon reduction opportunities and continued to develop a carbon reduction strategy aligned with the Taskforce on Climate-Related Public Disclosure ("TCFD"). The Company anticipates public disclosure of public short and longer-term carbon reduction targets later this year.
- Gained Board approval of a planned hybrid fleet and wireless background infrastructure for the Media Luna Project, designed with the future in mind to reduce the Company's carbon footprint.
- Significant improvements on scoring from key ESG ratings agencies from 2020 to 2021 due to ongoing improvements on disclosure, including ISS, MSCI, Sustainalytics, Refinitiv and S&P Global as well as improvement on the Company's 2021 CDP Climate Change Questionnaire.
- Received the following recognition in the areas of health and safety, corporate social responsibility and gender diversity practices: 2021 Safety Award from *Mining Magazine*, a major industry publication, for the Company's industry-leading safety performance; the ESR® 2022 Distinction from the Mexican Centre for Philanthropy (CEMEFI) and the Alliance for Corporate Social Responsibility in Mexico (AliaRSE), as a result of the Company's public and voluntary commitment to implement socially responsible management at its operations in Mexico; and named as an

honouree The Globe and Mail's 2022 Report on Business 'Women Lead Here' list, in recognition of the high percentage of women on the Company's executive team.

For more information on ESG initiatives and performance, see the Company's 2021 Responsible Gold Mining Report (the "RGMR") which is available on the Company's website at www.torexgold.com. The RGMR has been prepared in accordance with the Global Reporting Initiative (GRI) Standards "Core" option and the Sustainability Accounting Standards Board (SASB) Metals and Mining Sustainability Accounting Standard (Version 2018-10). Energy and climate-related disclosures in the RGMR are aligned with the recommendations of the TCFD, as per the Phase 1 recommendations of the Expert Panel on Sustainable Finance's Recommendation on Phased-in Approach to the Adoption of the TCFD Framework in Canada. The RGMR also aligns aspects of the supply chain disclosures with the Local Procurement Reporting Mechanism (LPRM) of the Mining Shared Value Initiative of Engineers Without Borders Canada.

See also "Safety and Corporate Social Responsibility Committee" in "Section 10.20 – Board Committees".

10.1.3 Board Composition and Independence

The Board is currently comprised of nine Directors, eight (89%) of whom are independent. Ms. Kuzenko serves as a Director and is also the President and Chief Executive Officer ("CEO").

Mr. Fred Stanford served as Executive Chair from June 2020 to June 2021. Mr. Howes served as Lead Director until Mr. Stanford's retirement from the Board, and he was then appointed Board Chair.

Eight Director nominees are nominated for election to the Board at the Meeting. If the Director nominees are elected at the Meeting, seven of eight (88%) will be independent Directors.

See also "Section 10.1.3 - Continuing Board Renewal" below.

10.1.4 Continuing Board Renewal

At the Meeting, the Company is putting forward eight nominees for election to the Board, seven (88%) are independent and one (12%), Ms. Kuzenko, the President and CEO, is not independent. The nominees are Rick Howes, Jody Kuzenko, Tony Giardini, Jennifer Hooper, Jay Kellerman, Rosie Moore, Roy Slack and Elizabeth Wademan.

Information	Rick Howes	Jody Kuzenko	Tony Giardini	Jennifer Hooper	Jay Kellerman	Rosie Moore	Roy Slack	Elizabeth Wademan
Independent	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes
Age	64	52	63	57	58	63	63	46
Gender	M	F	M	F	M	F	M	F
Tenure (yrs)	2	2	1	1	1	1	2	6
2021 "For" Votes (%)	99.20	99.80	99.95	99.93	99.93	99.94	99.77	99.23
Other Public Company Boards	2	None	1	None	None	2	None	1

See also "Section 11.1 - Director Nominee Profiles" and "Section 11.6 - Majority Voting for Directors".

In 2019 and 2020, in connection with Board and management succession planning, the Board initiated a Board rejuvenation process through the Corporate Governance and Nominating Committee, including a

search to identify individuals with the qualifications, skills and experience to meet the attributes the Board was seeking. In 2020, the Corporate Governance and Nominating Committee recommended four new nominees for election to the Board, three as independent Director nominees to replace retiring Directors and Ms. Kuzenko, a non-independent Director nominee. Ms. Kuzenko was elected to the Board and succeeded Mr. Fred Stanford as President and CEO; Mr. Stanford was re-elected and appointed Executive Chair, and Mr. Howes was appointed Lead Director.

The Board rejuvenation process continued in the first half 2021 with the support of an external professional search firm engaged by the Corporate Governance and Nominating Committee to assist with the process. The Board rejuvenation process emphasized merit, skills and diversity considerations in filling required roles on the Board. As a result of this process, Mr. Giardini (financial/audit), Ms. Hooper (ESG), Mr. Kellerman (governance/legal/regulatory) and Ms. Moore (exploration geology) were elected to the Board in June 2021.

In addition, as part of the Board rejuvenation process and management succession, Mr. Stanford retired from the Board in June 2021, having had a full transition year serving as Executive Chair through Ms. Kuzenko's first year as President and CEO.

Succession planning for the Board is ongoing, through the continued assessment of the near term and future needs of the Company and identification of potential candidates.

See also "Section 10.7 - Board Succession".

10.1.5 Enhanced Diversity

The Company believes that decision-making is enhanced through diversity in the broadest sense, and it has adopted a diversity policy to reflect this principle, including gender and age.

Of the individuals interviewed for the four new 2021 Director nominee positions, 62% were women. The number of women Directors increased from three of ten (30%) in 2020 to four of nine (44%) in 2021. If all the Director nominees are elected at the Meeting, the number of women Directors will be four of eight (50%).

	2020/21	2021/22	2022/23*
% of Women Directors	30%	44%	50%
Average Age of Directors	58.9 yrs	58.3 yrs	58.3 yrs

* Assuming election of all Director nominees

The number of women executives increased from four of ten (40%) in 2020 to four of eight (50%) in 2021. Due to the recent departures of certain team members, currently the executive team has three of seven (43%) members who are women.

The Board also encourages Directors to provide diversity information in the areas of geographic origin/base, age, gender, race/ethnicity/cultural communities, LGBTQ2S+ and disability to enable assessment of the breadth of diversity on the Board. For privacy reasons, most of this information is not publicly disclosed.

See also "Section 10.8 - Diversity Policy".

10.1.6 Other Governance Highlights

Board Structure and Independence	<ul style="list-style-type: none"> ✓ Majority independent directors ✓ Separate Chair and CEO roles ✓ If the Chair of the Board is not independent, a Lead Director is appointed ✓ Committees are comprised of independent Directors ✓ The Board Chair and CEO meet to review proposed agenda, times and materials for each Board meeting ✓ <i>In camera</i> sessions are held without management present, initially with the Directors and then with only the independent Directors present
Shareholder Rights	<ul style="list-style-type: none"> ✓ All Directors are elected annually ✓ Majority voting for all Directors (in uncontested elections) ✓ Shareholders representing at least 5% of outstanding shares are able to call special meetings ✓ Quorum for a meeting of shareholders is two or more persons holding or representing not less than 25% of the shares outstanding ✓ Advance notice requirement
Board Oversight Responsibilities	<ul style="list-style-type: none"> ✓ Succession planning, including appointing, training and monitoring senior management ✓ Reviewing the financial and operational performance of the Company ✓ Integrity of the Company's internal control and management information systems ✓ Strategic direction of the Company, annual approval of strategic plan and monitoring performance against the approved plan ✓ Ensuring procedures are in place to manage the principal risks of the Company's business
Corporate Governance Practices	<ul style="list-style-type: none"> ✓ Annual assessments of the Board, committees and individual Directors ✓ Annual determination of the independence of each Director ✓ Robust share ownership requirements for Directors and executives ✓ Shareholder outreach program ✓ Directors and executives are prohibited from hedging the Company's securities ✓ Policies include the Code of Business Conduct and Ethics, the Anti-Corruption and Anti-Bribery Policy and the Whistleblower Policy ✓ Only the Board may grant waivers of the Code of Business Conduct and Ethics which would be to the benefit of any Director or executive ✓ Independent third-party whistleblower hotline with capability to communicate in multiple languages

10.2 Board Composition and Independence

The Board currently consists of nine Directors, eight (89%) of whom are independent based upon the test for Director independence set forth in National Instrument 52-110 – *Audit Committees* (“NI 52-110”). Rick Howes, Frank Davis, Tony Giardini, Jennifer Hooper, Jay Kellerman, Rosie Moore, Roy Slack and Elizabeth Wademan are independent Directors.

Mr. Stanford served as Executive Chair until June 2021. In accordance with recommended corporate governance guidelines for circumstances where the Chair of the Board is not independent, Mr. Howes, an independent Director, was appointed by the Board to serve as the Lead Director. Following Mr. Stanford's retirement, Mr. Howes was appointed Board Chair. See also “Section 10.7 - Board Succession”.

As announced last year, Mr. Davis is retiring from the Board and will not be standing for election at the Meeting. The remaining incumbent Directors are nominated for re-election at the Meeting, and if all are elected, seven of eight (88%) will be independent Directors.

10.3 Interlocking Directorships

None of the Directors of the Company, nor any of the Director nominees, serve on the same boards of directors of other reporting issuers. There are no interlocking relationships between the Compensation Committee members and the President and CEO of the Company.

10.4 Roles of the Board Chair and President and CEO

The Board has developed written position descriptions for each of the Board Chair and the President and CEO and the mandate of each committee of the Board contains the responsibilities of the Chair of each such committee. Copies of the position descriptions and committee mandates are available on the Company's website at www.torexgold.com.

The Board Chair is primarily responsible for the management and effective performance of the Board. Mr. Howes, as the current Board Chair, is accountable to provide the Board and management with strategic leadership, vision and technical support by working with the Board and executives to establish, implement and oversee the long and short-range goals, strategies, plans and policies of the Company.

Ms. Kuzenko, as the President and CEO, is primarily responsible for managing the business and affairs of the Company within the corporate policies and mandates and authority limitations established by the Board. The President and CEO is also responsible for ensuring that the business strategies and operational goals of the Company are achieved and for providing leadership, oversight and guidance with respect to the business and operations of the Company. This includes ensuring the alignment of objectives throughout the corporate organization to implement the Company's strategies and goals consistent with the Company's core values and the Code of Business Conduct and Ethics of the Company.

The Board also developed written position descriptions for each of the Executive Chair and Lead Director copies of which are available on the Company's website. While Mr. Stanford served as Executive Chair from June 2020 to June 2021, the Board appointed Mr. Howes as Lead Director. As Lead Director, Mr. Howes was primarily responsible for facilitating the functioning of the Board independently of the management of the Company, including responsibility for the agenda of Board Meetings together with the Executive Chair and the President and CEO, presiding over *in camera* sessions of the independent Directors, and consulting and meeting with any or all of the other independent Directors, at the request of any of them and with or without the attendance of the Executive Chair, and representing such Directors in discussions with the executives of the Company, including the Executive Chair, concerning corporate governance and other matters.

10.5 Board Meetings

In connection with meetings of the Board, the Board Chair is responsible for: scheduling meetings of the Board; coordinating with the Chairs of the committees of the Board the scheduling of meetings of the committees; reviewing matters for consideration by the Board; ensuring that all matters required to be considered by the Board are presented to the Board, such that the Board is able to supervise the management of the business and affairs of the Company; setting the agenda for meetings of the Board; monitoring the adequacy of materials provided to the Board; ensuring that the Board has sufficient time to review the materials provided and to fully discuss the business that is presented to the Board; presiding over meetings of the Board; and encouraging free and open discussion at meetings of the Board.

10.6 Meetings of Independent Directors

At the end of each meeting, as a regular item on each Board and committee agenda, the independent Directors hold an *in camera* session, at which non-independent Directors and members of management are not in attendance, unless such a session is not considered necessary by the independent Directors present. In fiscal 2021, the Board held 10 meetings, and an *in camera* session of Directors, followed by an *in camera* session of the independent Directors was held at the end of each meeting.

See “Section 11.1 - Director Profiles” for a summary of the attendance record of each Director for all Board and Committee meetings held during the year ended December 31, 2021.

10.7 Board Succession

In 2019 and 2020, in connection with Board and management succession planning, the Board initiated a Board rejuvenation process through the Corporate Governance and Nominating Committee, including a search to identify individuals with the qualifications, skills and experience to meet the attributes the Board was seeking. In 2020, four new Directors were elected to the Board including Mr. Howes and Mr. Slack as independent Directors and Ms. Kuzenko was elected to the Board and succeeded Mr. Stanford as President and CEO. Mr. Stanford was re-elected and appointed Executive Chair, and Mr. Howes was appointed Lead Director.

The Board rejuvenation process continued in the first half of 2021 with the support of an external professional search firm engaged by the Corporate Governance and Nominating Committee to assist with the process. The process included consideration of the business strategy of the Company; the qualifications, skills and experience of the Directors on the Board at that time, as well as the existence of any gaps in the required attributes of the Board; the need to replace the attributes of the Directors expected to depart in 2021 and 2022; and the qualifications, skills and experience required of new Directors to meet near term and future needs of the Company.

The Board rejuvenation process emphasized merit and diversity considerations in filling roles on the Board. The Board rejuvenation process identified: (i) the following areas of expertise that needed to be filled: financial/audit, ESG, governance, legal/regulatory and exploration geology; and (ii) the following persons with the requisite expertise and attributes: Mr. Giardini (financial/audit), Ms. Hooper (ESG), Mr. Kellerman (governance/legal/regulatory) and Ms. Moore (exploration geology).

The Board determined that the qualifications and experience and institutional knowledge of the Company of Mr. Davis remained valuable to the Board. Mr. Davis, a Director since November 2009, and Ms. Wademan, a Director since August 2016, provided continuity on the Board, with the average tenure of the Directors following the June 2021 shareholder meeting being two years. Mr. Davis’s one-year overlap with the Directors who joined the Board in 2020 and 2021 has contributed to a smooth transition and as planned, Mr. Davis will not be standing for re-election at the Meeting.

Succession planning for the Board is ongoing, including continuing to assess the near term and future needs of the Company and identifying potential candidates.

10.8 Diversity Policy

The Company believes that decision-making is enhanced through diversity in the broadest sense and it has adopted a diversity policy to reflect this principle. In the context of an effective Board, diversity includes expression of thought, business experience, skill sets and capabilities. Diversity also includes valuing an individual’s race, colour, gender, age, religious belief, ethnicity, cultural background, economic

circumstance, human capacity, as well as other factors. Taken together, these diverse skills and backgrounds help to create a business environment that encourages a range of perspectives and fosters excellence in the creation of shareholder value. The Board has determined that merit is the key requirement for Board appointment and employee advancement. In identifying suitable candidates for appointment to the Board or in selecting and assessing candidates for executive positions, candidates will be considered on merit against objective criteria regarding experience, education, expertise and general and sector specific knowledge and with due regard for the benefit of diversity.

The gender diversity of the Board also increased, building on already industry-leading practices. The Board is now comprised of 44% women, which is 22% above the average for companies listed on the Toronto Stock Exchange (the “TSX”), and 25% above the mining companies listed on the TSX, that provided public disclosure by mid-2021.¹ If the Director nominees are elected at the Meeting, the Board will consist of eight members, four (50%) of whom will be women. In addition, two of five (40%) of the standing committees of the Board, the Compensation Committee and Safety and CSR Committee, are chaired by women.

At the end of 2021, gender parity was achieved on the executive team, with women comprising half its members. This is 32% higher than companies listed on the TSX, and 35% higher than the average female composition of executive management teams among TSX-listed mining companies, that provided public disclosure by mid-2021.¹

In March 2022, the Company was named as an honouree, for the third consecutive year, to the Globe and Mail Report on Business “Women Lead Here” list, an annual editorial benchmark to identify best-in-class executive gender diversity in corporate Canada. Established in 2020 by *Report on Business* magazine, the “Women Lead Here” initiative applies a proprietary research methodology to determine Canadian corporations with the highest degree of gender diversity among executive ranks. In total, 74 companies earned the 2022 “Women Lead Here” seal and Torex was one of only nine mining companies to be named to the list.

10.9 Executive Succession Planning

The operational efficiency and future growth of the Company depends on, among other things, having executive roles performed by individuals who have the required capability to fulfill the Company’s business strategy and to continuously improve the productivity of the operations.

Two main principles are the foundation of the design of the succession plan: (i) determine the requisite cognitive ability to master the complexity of the work for the level of each role; and (ii) determine the capabilities, education, skills, experience, and other necessary attributes for the individual to be effective in the role. Internal successors are preferred for continuity, including their understanding of the Company’s culture, systems, history and relationships.

As mentioned above, as part of management succession planning, in June 2020 Ms. Kuzenko succeeded Mr. Stanford as President and CEO and Mr. Stanford became the Executive Chair of the Board serving in such capacity until June 2021 when he retired from the Board. In 2021, there were other transitional changes that created a more streamlined executive team, which currently has seven members, down from ten members in June 2021. Changes that took place in 2021 include Andrew Snowden joining the Company as Chief Financial Officer in January 2021, and Jon Gilligan, Vice President, Automated Mine Design leaving the Company after the conclusion of the Muckahi test program in July 2021. In September 2021, David Stefanuto joined the Company in a new role as Executive Vice President, Technical Services and

¹ Osler, 2021 Diversity Disclosure Practices – Diversity and leadership at Canadian public companies

Capital Projects; this role consolidated the former roles of Barry Murphy, Vice President, Engineering and Bernie Loyer, Vice President, Projects, who both left the Company in 2021. In March 2022, after more than a decade with the Company, Anne Stephen, Vice President, Human Resources and Organization Effectiveness left the Company, and as such, the Human Resources function has now been consolidated under Angie Robson, Senior Vice President, Human Resources, ESG and Communications.

As a result of these changes, succession plans are being updated or developed, as applicable, for each of these roles.

10.10 Strategic Planning

The Board oversees the development and implementation of the strategic plan of the Company. The President and CEO leads the process of the development of the strategic plan and implements the Board approved plan. The Company's six strategic pillars were initially adopted as part of the Board's 2021 budget approval in December 2020.

Longer term directions are discussed at each quarterly Board meeting, and annually, a meeting is dedicated to the analysis of the business context, and strategic adjustments are made as deemed appropriate by the Board. The Board's role includes a short-term review of the strategy implementation progress through the oversight and approval of the annual budget. External third-party experts are engaged from time to time as deemed appropriate by management or the Board to provide input throughout the process of strategic considerations. In 2021, the Board strategy meeting was held virtually and the strategic plan was confirmed in conjunction with the approval of the 2022 budget, the pillars of which are set out below.



**OPTIMIZE AND
EXTEND ELG**



**ADVANCE AND
DE-RISK MEDIA LUNA**



**GROW RESERVES
AND RESOURCES**



**PRUDENT CAPITAL
ALLOCATION**



**BUILD ON ESG
EXCELLENCE**



**LEVERAGE
INNOVATION**

10.11 Oversight of Risks and Opportunities

The Board is responsible for ensuring that procedures are in place to appropriately manage the principal business risks of the Company and reviewing with the executive team the strategic planning environment, the emergence of new opportunities, trends and risks and the implications of these factors on the strategic direction of the Company.

The Board fulfills its responsibilities, in part, through its committees, each of which has responsibility for identification, assessment and management of risks and opportunities in areas they oversee. Each committee reports on its activities quarterly to the Board.

- Audit Committee – oversight of financial risks and opportunities including those associated with tax, hedging, insurance, accounting, cybersecurity, information services and systems, financial controls and management reporting
- Corporate Governance and Nominating Committee – oversight of effective policies and systems to mitigate the risks associated with governance compliance and public disclosure obligations
- Compensation Committee – oversight of compensation-related risks including designing programs that do not promote unnecessary or excessive risk-taking
- Safety and Corporate Social Responsibility Committee – oversight of ESG risks and opportunities including those associated with maintaining a healthy and safe workplace, environmentally sound and responsible resource development, good community relations, and the protection of human rights
- Technical Committee – oversight of technical risks and opportunities including those associated with new major exploration, development, operating, or new business activity, mineral reserve and resources estimation and disclosure, and proposed projects

In addition, the Company has an overarching enterprise risk management framework (the “**ERM**”). The ERM is formulated through a process of risk identification, analysis and evaluation taking into consideration likelihood and impact, the ability to mitigate, and where mitigation is possible, determination and selection of mitigation measures, followed by an evaluation of the residual risk.

In connection with the budget cycle, management reports annually to the Board on the key risks and opportunities for the business, the mitigation measures to manage such risks, and the allocation of financial resources in respect of such risks and opportunities. Management also reports periodically to the Board on the implementation and monitoring of the ERM.

10.12 Shareholder Feedback

The Board oversees a communications policy for the Company to facilitate communications with investors and other interested parties. The investor relations program is under the direction of Ms. Kuzenko as President and CEO. The program includes responding to questions from or meeting with shareholders or potential investors, analysts and investment fund managers; giving presentations at investor conferences and company organized events; providing briefing sessions for analysts, investment fund managers, members of the press and the public to discuss reported financial results and other announcements by the Company; social media posts; and site visits when circumstances permit. Shareholders, other stakeholders and the public are informed of developments in the Company by the issuance of news releases and publications by the Company. The Board receives regular reports on the investor relations program and investor feedback from management.

In addition, in 2020, the Company engaged a third-party consultant to conduct an in-depth investor perception study based on surveys and interviews of current and former investors to obtain feedback on, among other topics, overall sentiment of investment decision factors, investor relations program effectiveness, and risks and opportunities. To ensure both candid responses and unbiased research,

feedback from respondents was not tied to respondents directly. The third-party consultant presented the results of the study to the Board.

In 2020, Mr. Howes and Mr. Davis met with representatives of a Canadian corporate governance organization representing institutional shareholders that invest in Canadian public equities to discuss the Company's governance and compensation practices. At the time, Mr. Howes was the Lead Director and Chair of the Compensation Committee and Mr. Davis was the Chair of the Corporate Governance Committee. The Board considered the feedback received at this meeting and in 2021, the Board initiated a shareholder outreach program with institutional shareholders to receive feedback on matters of interest to such shareholders. The Board sent invitations to 10 institutional shareholders to meet with the Board Chair and Corporate Governance and Nominating Committee Chair and meetings were held with representatives of six shareholders. The Board plans to continue this engagement program.

Shareholders may also communicate directly with the Company's independent Directors by writing to the Chair of the Board or a committee chair through the General Counsel and Corporate Secretary: Torex Gold Resources Inc., Exchange Tower, 130 King Street West, Suite 740, Toronto, Ontario, M5A 2X2, Attention: General Counsel and Corporate Secretary, email: Mary.Batoff@torexgold.com.

10.13 Orientation and Continuing Education

New members of the Board are provided with:

- information respecting the functioning of the Board and its Committees and a copy of the Company's corporate governance policies, codes and mandates;
- recent, publicly filed documents of the Company; and
- information sessions about the Company in the areas of strategic goals, enterprise risk management and crisis management, the Media Luna project, Morelos Property exploration program, operations, finance, political and regulatory environment, people systems, ESG strategy, and governance policies and mandates.

Directors are encouraged to communicate with management and the auditors; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit the Company's operations. In addition, Directors are regularly invited to attend meetings of committees of which they are not members thereby providing development opportunities for Directors.

The Company will pay for any Director who wishes to become accredited by the ICD as a certified director. Ms. Kuzenko, Mr. Davis and Ms. Wademan have each completed the course and hold the ICD.D designation. In addition, in 2021, Directors attended continuing education and industry seminars relevant to their roles as Directors and Committee members. In 2021, the Directors also received information and updates on developments in International Financial Reporting Standards from management and the auditors of the Company, an update on current market trends in compensation governance best practices from Meridian Compensation Partners, a presentation on climate change strategy from management and a third party expert in ESG and climate-related matters, and relevant changes in the law from management.

During site visits, Board members attend corporate presentations. See "Section 10.14 - Site Visits". Board members also have full access to the Company's records.

10.14 Site Visits

The Directors did not visit the Morelos Property in 2020 or 2021 due to the COVID-19 pandemic. A site visit is planned for the second quarter of 2022. Site visits typically include an aerial tour of the site and surrounding area, and a tour of the ELG Mine Complex, including the filtered tailings storage facility (the “FTSF”) and the underground operations, and presentations on health and safety, the FTSF, progress of operations, cost management, corporate responsibility projects, and development and exploration projects. The 2022 site tour will include a tour of the Media Luna Project.

10.15 Ethical Business Conduct

The Company has adopted a Code of Business Conduct and Ethics (the “Code”) for its Directors, executives and other employees. A copy of the Code is available for review under the Company’s profile on SEDAR at www.sedar.com, on the Company’s website at www.torexgold.com or may be obtained by request to the General Counsel and Corporate Secretary of the Company at the Exchange Tower, 130 King Street West, Suite 740, Toronto, Ontario M5X 2A2.

The Audit Committee is responsible for monitoring compliance with the Code. In accordance with the Code, Directors, senior officers and other employees should raise questions regarding the application of any requirement under the Code, and report a possible violation of a law, or the Code, promptly to their supervisor. If reporting a concern or complaint to a supervisor is not possible or advisable, or if reporting it to a supervisor does not resolve the matter, the matter should be addressed with the Chief Financial Officer, the General Counsel, or the Company’s whistleblower hotline provided through ClearView Connects™. The Audit Committee monitors compliance of the Code by obtaining reports from the Chief Financial Officer, the General Counsel, and ClearView Connects™ as to any matters reported under the Code.

The Board takes steps to ensure that Directors, executives and other employees exercise independent judgment in considering transactions and agreements in respect of which a Director, executives or other employee of the Company has a material interest, which include ensuring that Directors, executives and other employees are thoroughly familiar with the Code and, in particular, the rules concerning reporting conflicts of interest and obtaining direction from their supervisor or the Chief Financial Officer or the General Counsel regarding any potential conflicts of interest. All Directors, executives, senior management and staff employees of the Company have acknowledged that they have read the Code.

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations and professional rules; providing guidance to Directors, executives and employees to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

10.16 Board Mandate

The duties and responsibilities of the Board are to supervise the management of the business and affairs of the Company and to act in the best interests of the Company. In discharging its mandate, the Board is primarily responsible for the oversight and review of the development of, among other things, the following matters:

- succession planning, including appointing, training and monitoring senior management;
- annually considering the additional skills and competencies that would be helpful to the Board;

- if the Chair of the Board is not independent, appointing a Lead Director;
- reviewing the financial and operational performance of the Company;
- the strategic planning process of the Company;
- the principal risks of the Company's business and ensuring the implementation of appropriate systems to manage these risks;
- a communications policy for the Company to facilitate communications with investors and other interested parties; and
- the integrity of the Company's internal control and management information systems.

The Board may at any time retain outside financial, legal or other advisors at the expense of the Company and any Director may, subject to the approval of the Corporate Governance and Nominating Committee, retain an outside financial, legal or other advisor at the expense of the Company.

The Board also has the mandate to assess the effectiveness of the Board as a whole, its committees and the contribution of individual Directors, and as such, a Board, Committee and Director Review Process is conducted (see "Section 10.17 - Assessments").

The Board discharges its responsibilities directly and through its standing committees, currently consisting of the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee, the Safety and Corporate Social Responsibility Committee and the Technical Committee. Other committees may be appointed from time to time to carryout mandates as approved by the Board.

A copy of the Mandate of the Board setting out the Board's mandate and responsibilities and the duties of its members is attached as Schedule C to the Circular. A copy of the Mandate of the Board, as well as the mandates of the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee, the Safety and Corporate Social Responsibility Committee and the Technical Committee are available on the Company's website at www.torexgold.com.

10.17 Assessments

The Board is responsible for monitoring and assessing its function and effectiveness, composition, operation, and the performance of individual Directors. Each committee of the Board and the Board of the Company regularly monitors compliance with its respective mandate. The Corporate Governance and Nominating Committee, in accordance with its mandate, reviewed the compliance record for 2021 maintained by each committee and the Board to confirm each committee and the Board were fulfilling their respective mandates.

The Board has a Board, Committee and Director Review Process. The review provides each Director with an opportunity to evaluate the performance of the Board and the committees, and to make suggestions for improvements, if applicable. The review also provides each Director an opportunity to comment on the effectiveness and contribution of individual Directors and the leadership of the Chair and Lead Director, if any. Each Director completes a questionnaire, on a confidential basis, which is submitted to the Chair of the Board who tabulates the results, and reports such results to the Corporate Governance and Nominating Committee and the Board, and discusses the individual evaluation with the respective Director. This assessment is usually conducted on an annual basis; however, in 2021 with the significant Board rejuvenation (three of the directors having been elected in June 2020 and four in June 2021), the Board

elected to defer the assessment until the Directors had sufficient time to work together so that each Director could meaningfully complete the performance evaluations. The Board plans to complete the review process during 2022.

10.18 Director Term Limits and Retirement

The Company has not instituted director term limits. The Company believes that in taking into account the nature and size of the Board and the Company, it is more important to have relevant experience than to impose set time limits on a Director's tenure, which may create vacancies at a time when a suitable candidate cannot be identified and as such would not be in the best interests of the Company. In lieu of imposing term limits, the Company regularly monitors Director performance through annual assessments and regularly encourages sharing and new perspectives through regularly scheduled Board meetings, meetings with only independent Directors in attendance, as well as through continuing education initiatives.

On a regular basis, the Company analyzes the skills and experience necessary for the Board and evaluates the need for Director changes to ensure that the Company has highly knowledgeable and motivated Board members, while ensuring that new perspectives are available to the Board.

The Board has a retirement policy whereby non-executive Directors may not stand for re-election to the Board at the next annual meeting of shareholders after they turn 75 years of age and executive Directors must submit their resignation as a Director to the Board upon the termination of their employment with the Company. The Board may, however, extend a Director's term upon the recommendation of the Corporate Governance and Nominating Committee, if the Corporate Governance and Nominating Committee believes that it is appropriate and in the Company's best interest to do so.

10.19 Loans to Directors

The Company does not make personal loans to its Directors or executives. There are no loans outstanding from the Company to any of its Directors or executives.

10.20 Board Committees

The current membership of the standing Committees of the Board is set out below:

Board Committee	Committee Members	Status
Audit	Tony Giardini (Chair) Frank Davis Elizabeth Wademan	Independent Independent Independent
Compensation	Elizabeth Wademan (Chair) Tony Giardini Rick Howes	Independent Independent Independent
Corporate Governance and Nominating	Jay Kellerman (Chair) Frank Davis Jennifer Hooper	Independent Independent Independent
Safety and Corporate Social Responsibility	Jennifer Hooper (Chair) Rosie Moore Roy Slack	Independent Independent Independent
Technical	Roy Slack (Chair) Rick Howes Rosie Moore	Independent Independent Independent

Audit Committee

The Audit Committee provides assistance to the Board in fulfilling its financial reporting and control responsibilities to the shareholders of the Company. The external auditors of the Company report directly to the Audit Committee and meet *in camera* with the auditors at the end of each quarterly meeting.

The Audit Committee is currently comprised of Tony Giardini (Chair), Frank Davis and Elizabeth Wademan. The Audit Committee held four meetings in 2021, and there was full attendance at each meeting.

Each of Mr. Giardini, Mr. Davis and Ms. Wademan is an independent Director and “financially literate” within the meaning of NI 52-110. Canadian securities laws do not include a definition of “financial expert”, however an issuer may voluntarily appoint a financial expert to their audit committee and publicly disclose this fact in order to conform with best practices. The published guidance of the TSX describes a financial expert as someone who has a professional qualification such as a CA or CMA. Taking into consideration Mr. Giardini’s professional designation and extensive international financial experience, the Board has determined that Mr. Giardini is an audit committee financial expert.

Further information regarding the Company’s Audit Committee is contained in the Company’s current annual information form, under the heading “Audit Committee”. A copy of the Audit Committee charter is attached to the annual information form as Schedule B. The Company’s annual information form is available under the Company’s profile on SEDAR at www.sedar.com.

Key activities of the Audit Committee in 2021 include:

- Financial Reporting and Internal Controls
 - Reviewed the audited annual consolidated financial statements and the related management’s discussion and analysis (“MD&A”), and news releases, and made recommendations to the Board for approval
 - Reviewed and approved the quarterly consolidated financial statements and related MD&A, news releases and earnings presentations
 - Reviewed quarterly key accounting matters, judgements and estimates
 - Received and discussed a report from the CEO and CFO on the adequacy and effectiveness of internal controls over financial reporting and disclosure controls and procedures
- Independent Auditor
 - Received and discussed KPMG’s 2021 audit plan and approved the services and made a recommendation to the Board to approve the fee thresholds
 - Received a report on and discussed with KPMG the results of the annual audit and quarterly reviews
 - Reviewed the performance and fees of KPMG and recommended to the Board the re-appointment of KPMG
- Financial Risk Management
 - Received quarterly reports on treasury matters, IT systems and cyber security, financial related risk management
 - Reviewed and made recommendations to the Board on the Company’s hedging strategy and monitored implementation on a quarterly basis

Compensation Committee

The Compensation Committee is appointed by the Board to assist in setting Director and executive compensation and to develop and submit to the Board recommendations with respect to such other employee benefits as considered advisable. The Compensation Committee is guided by the following principles: to offer competitive compensation to attract, retain and motivate qualified executives in order for the Company to achieve the strategic plan and budget approved by the Board; and to act in the best interests of the Company by being financially responsible.

The Compensation Committee is currently comprised of Elizabeth Wademan (Chair), Tony Giardini and Rick Howes, each of whom is an independent Director. Prior to the Company's shareholder meeting in June 2021, Mr. Howes served as Chair and Elizabeth Wademan served as a member of the Compensation Committee. The Compensation Committee held seven meetings in 2021, and there was full attendance at each meeting.

Key activities of the Compensation Committee in 2021 include:

- Governance
 - Reviewed risks associated with the Company's compensation policies and programs
 - Kept apprised on recent developments and emerging trends in executive compensation including potential impact of COVID-19 on compensation matters, and linking ESG performance to compensation programs (including a review of market practices with respect to ESG incentive plan metrics)
 - Reviewed the quality and effectiveness of the independent compensation consultant ("ICC") services and provided feedback
 - Reviewed and approved for recommendation to the Board the Statement of Executive and Director Compensation in the management information circular
- Talent Management
 - Received reports from management on talent movement (hires, exits and vacancies) and turnover trends and risk mitigation plans
- Short Term Objective Setting, Monitoring and Payouts
 - Reviewed the 2020 corporate and individual performance against objectives for the short-term incentive plan ("STIP") and made recommendations to the Board for approval of payouts of the STIP to executives
 - Reviewed and made recommendations to the Board on the 2021 STIP objectives
 - Received regular reports over the year on progress towards achieving the 2021 STIP objectives and scoring mechanism
 - Received for discussion, the initial proposals for 2022 STIP objectives and scoring mechanism
 - Reviewed the structure of the STIP program, with focus on adding more formal rigour to the evaluation of performance against goals in the STIP;
- Long Term Incentive Plan (LTIP) Monitoring and Payouts
 - Reviewed the companies included in the performance peer group and made changes resulting from industry acquisitions/consolidation
 - Considered recommendations from the ICC on the operation of the rules for the administration of the LTIP and made recommendations to the Board
 - Monitored the status of current awards under the ESU Plan for the 2019-2021 and 2020-2022 grant term/performance periods

- Reviewed and made recommendations to the Board on the awards under the ESU Plan for the 2021 – 2023 grant term/performance period
- Reviewed the outcome of the 2018 – 2020 performance share units (the “2018 PSUs”) under the Company’s ESU Plan and recommended to the Board for approval payouts at 69% of the 2018 PSUs granted
- Compensation Changes
 - Reviewed recommendations from the ICC on changes to the benchmarking peer group for Director and executive compensation research
 - Received a report from the ICC on its review of peer-based benchmarking report on Director compensation and peer-based benchmarking report on executive compensation
 - Made recommendations to the Board on Director compensation and executive compensation aligned with competitive analyses
- Shareholder Feedback
 - Considered feedback on the Company’s compensation practices from investors and a Canadian corporate governance organization representing institutional shareholders that invest in Canadian public equities

See also “Section 12 - Statement of Executive and Director Compensation”.

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee (“**CGN Committee**”) is appointed by the Board to promote a culture of integrity throughout the Company, to assist the Company in identifying and recommending new nominees for election to the Board and to assist the Company and the Board in fulfilling their respective corporate governance responsibilities under applicable securities laws.

The CGN Committee is comprised entirely of independent Directors. Jay Kellerman (Chair), Frank Davis and Jennifer Hooper are the current members of the Corporate Governance and Nominating Committee. The CGN Committee held 12 meetings in 2021, and there was full attendance at each meeting.

Key activities of the CGN Committee in 2021 include:

- Director Succession
 - Continued with the Board rejuvenation process, engaged the services of a professional search firm, identified areas of expertise required to replace departing Directors and the near term and future needs of the Company, interviewed candidates with expertise in the areas of financial/audit, ESG, governance, legal/regulatory and mineral exploration and recommended four new nominees for election to the Board at the June 2021 shareholder meeting
 - Reviewed and made recommendations to the Board on the updated skills matrix
- Board, Committee and Director Assessments
 - Reviewed the effectiveness of the Board and the Committees in fulfilling their respective mandates
 - Considered standing Committees of the Board and the composition of the Committees and made recommendations to the Board appointment of Committee Chairs and Committee members
 - Following thorough consideration of, among other matters, the brief time the Directors had worked together due to the Board rejuvenation process, recommended to the Board deferring

the completion of the Board, Committee and Director review questionnaires until the Directors had sufficient time to work together so that each Director could meaningfully complete the performance evaluations.

- Disclosure
 - Reviewed and approved for recommendation to the Board the disclosure of governance practices of the Company in the 2021 management information circular
- Shareholder Feedback
 - Considered feedback on the Company's governance practices received from investors and a Canadian corporate governance organization representing institutional shareholders that invest in Canadian public equities
 - Initiated a shareholder outreach program with institutional shareholders to receive feedback on matters of interest to such shareholders

Safety and Corporate Social Responsibility Committee

The Safety and Corporate Social Responsibility Committee (the “**Safety & CSR Committee**”) is appointed by the Board to assist the Company and the Board in the furtherance of the Company's commitments to maintaining a healthy and safe work place as well as environmentally sound and responsible resource development, good community relations, and the protection of human rights. The mandate of the Safety and CSR Committee includes responsibilities to assist with the development and review of annual strategic ESG plans, including the development of short, medium, and long-term ESG targets; reviewing the ESG performance of the Company, including in relation to public commitments, goals, and targets; and considering and recommending improvements to ESG-related policies and practices of the Company.

The Safety & CSR Committee is comprised of Jennifer Hooper (Chair), Rosie Moore and Roy Slack, each of whom is an independent Director. The Safety & CSR Committee held four meetings in 2021, and there was full attendance at each meeting.

Key activities of the Safety & CSR Committee in 2021 include:

- Operations
 - Reviewed quarterly reports regarding health and safety and environmental matters
 - Reviewed and discussed the COVID-19 pandemic response, ongoing mitigation programs for the operations and COVID-19 support for the local communities
- Risk Management
 - Reviewed and discussed inspection/audit reports on the FTSF and water quality management
 - Reviewed and discussed risk identification, monitoring and mitigation activities
- Legal and Regulatory
 - Monitored compliance with permits and health, safety and environmental laws and regulations
 - Monitored changes in health, safety and environmental laws and regulations
 - Monitored progress in obtaining/renewing permits
- Sustainability Management Framework
 - Reviewed and approved management's decision to become a signatory to the International Cyanide Management Code
 - Reviewed management's ESG workplan identifying 'core' ESG factors and plans to address each matter, and received regular updates on progress on each matter, including without

- limitation, meeting the commitments under the World Gold Council (“WGC”) Responsible Gold Mining Principles and the International Cyanide Management Code
 - Reviewed and recommended to the Board the approval of management’s proposed adoption of the Global Industry Standard on Tailings Management
 - Received report on completion of the Year 1 requirements of the WGC membership and the assessment process assurance provided by independent third party
- Climate Change/Carbon Reduction
 - Received regular updates on key activities in developing a climate strategy in line with TCFD
- Community
 - Monitored renewal of community development agreements and fulfilling commitments
- Disclosure
 - Reviewed and approved the Company’s 2020 Responsible Gold Mining Report which was prepared in alignment with GRI Standards and SASB Standards
 - Received report on engagement with a key shareholder on climate-related disclosure and regular updates on engagement with ESG rating agencies and scoring results

Technical Committee

The Technical Committee was established to provide a forum for the review and discussion of policies, processes and activities of the Company of a technical nature to assist the Board in fulfilling its oversight responsibilities from a strategic, technical risk, and governance perspective.

The Technical Committee is comprised of three independent Directors, Roy Slack (Chair), Rick Howes and Rosie Moore. The Technical Committee held eight meetings in 2021, and there was full attendance at each meeting.

Key activities of the Technical Committee in 2021 include:

- Technical
 - Reviewed reports on the feasibility study of the integrated life of mine plan and economics for the ELG Mine Complex and the Media Luna Project
 - Reviewed reports on the monorail-based mining system option study for Media Luna and mining system test program
 - Reviewed with management its recommendation to conclude the feasibility of the Media Luna Project on a conventional basis only and made a concurring recommendation to the Board
 - Reviewed reports on the infill drilling program of the Media Luna deposit and reviewed each mineral resource estimate and mineral reserve estimate with the ‘qualified person’ (as defined under National Instrument 43-101 – *Standards for Disclosure of Mineral Projects*) who prepared or supervised the preparation of the estimate
 - Monitored the progress of the early works, including the Guajes Tunnel, which connects the Media Luna Project on the south side of the Balsas River to the ELG Mine Complex on the north side of the river, and South Portals (Upper and Lower) which provide access to the upper and lower portions of the Media Luna deposit
 - Reviewed reports on the soluble iron in the process ore and strategies to reduce re-agent consumption

- Strategic
 - Reviewed and discussed with management the El Limón open pit pushback and strategic life-of-mine planning
- Governance
 - Reviewed and approved the updated workplan for 2021

11. INFORMATION ABOUT DIRECTOR NOMINEES

11.1 Director Profiles

The following profiles set forth information about each Director nominee. Each nominee has also been involved in the mining or natural resources sector as part of management, a director or an advisor, and has skills and experience that are important in fulfilling a Director's responsibilities as a member of the Board. For more information on Share Ownership Guidelines see page 49.



Richard (Rick) A. Howes – Board Chair

Independent: Yes

Age: 64

Location: Sudbury, Ontario, Canada

Director since: June 17, 2020

2021 election results: 99.20% Votes For

Qualifications

Bachelor of Applied Science with Honours in Mining Engineering, Queen's University, Kingston, Ontario
Member of the Institute of Corporate Directors

Rick Howes serves as Board Chair having been appointed to the role in June 2021 and previously served as Lead Director from June 2020. He retired as President and Chief Executive Officer of Dundee Precious Metals Inc. in May 2020 having served in the role since April 2013. He is a seasoned senior mining executive with over 39 years of experience in the mining industry. He is a visionary leader in mining, organizational innovation and transformation to create competitive advantage and was recognized as the Outstanding Innovator of 2016 by the International Mining Technology Hall of Fame. Throughout his career, Mr. Howes has been closely associated with the practices that make for world-class mining operations, including Inco's North Mine which won the 2006 Ryan Award as the safest mine in Canada.

His extensive industry experience includes progressive technical, operating, management and project roles in many of the largest underground mines and mining companies throughout Canada and internationally. Mr. Howes joined Dundee Precious Metals in early 2009. He was General Manager and Executive Director of the Chelapech mine until November 2010 when he was appointed Executive Vice President and Chief Operating Officer and he served in that role until April 2013, when he was appointed President and Chief Executive Officer. Mr. Howes also serves as a non-executive director of Hudbay Minerals Inc., of which he is a member of the compensation and human resources committee and a member of the technical committee and Anaconda Mining Inc., of which he is a member of the governance committee and the compensation committee.

Key Areas of Expertise/Experience				
Board Experience	Senior Management	Mining Operations	Mine Development & Construction	
Mineral Exploration	Strategy, Corporate Finance and M&A	Financial/Audit	Governance	
Sustainability	Communications/IR	Compensation/HR	IT/Cyber/Digital	
2021 Board/Committee Membership	2021 Attendance		Other Public Board Memberships and Interlocks	
Board of Directors (Chair)	10 of 10	100%	Hudbay Minerals Inc. Anaconda Mining Inc. No Interlocks	
Compensation Committee	7 of 7	100%		
Technical Committee	8 of 8	100%		
Common Shares Held (#) ⁽³⁾	50% of Share Units Held (#) ⁽³⁾	Value at Market Price May 10, 2022 ⁽⁴⁾	Value Per Company Policy May 10, 2022 ⁽⁵⁾	Share Ownership Guidelines Met? ⁽⁶⁾
12,428	6,616	234,045	269,447	N/A



Jody L.M. Kuzenko – President and Chief Executive Officer

Independent: No

Age: 52

Location: Sudbury, Ontario, Canada

Director since: June 17, 2020

2021 election results: 99.80% Votes For

Qualifications

Bachelor of Laws from the University of Western Ontario, London, Ontario and an Honours Bachelor of Arts from McMaster University, Hamilton, Ontario
Certified Director, Institute of Corporate Directors

Jody Kuzenko serves as President and Chief Executive Officer having been appointed to the position in June 2020. She joined the Company as Chief Operating Officer in October 2018. She is a mining executive with over 20 years of operational and business experience, mainly acquired at Vale Canada Limited (formerly Vale Inco and Inco Limited). She has a proven record of execution and leadership in the areas of base metals refining, sustainability, energy, safety, health and environmental protection, transport functions, oxygen and acid plants, maintenance shops, and community, labour and government relations.

Ms. Kuzenko joined Vale as Chief Legal Officer in 2004 and in 2009 moved to the operational side of the business where she held roles of increasing responsibility in operations management until July 2018.

Her most recent role with Vale was Director, Business Strategy, Ontario Operations of Vale.

Ms. Kuzenko is also a founding Advisory Board member of the Centre for Research in Occupational Safety and Health at Laurentian University and a board member of the World Gold Council of which she is a member of the corporate governance and nominating committee of the World Gold Council. Previous Board experience includes the Greater Sudbury Chamber of Commerce, Association of Major Power Consumers of Ontario and Industrial Gas Users Association, Canada.

In 2020, she was named one of the ‘Top 100 Global Inspirational Women in Mining’ by Women in Mining UK as well as one of the ‘2020 Names to Know’ by CIM Magazine.

Key Areas of Expertise/Experience

Board Experience	Senior Management	Mining Operations	Mine Development & Construction
Mineral Exploration	Strategy, Corporate Finance and M&A	Financial/Audit	Governance
Sustainability	Legal/Regulatory	Communications/IR	Compensation/HR
IT/Cyber/Digital			

2021 Board/Committee Membership	2021 Attendance		Other Public Board Memberships and Interlocks
Board of Directors	10 of 10	100%	None

Common Shares Held (#) ⁽³⁾	50% of Share Units Held (#) ⁽³⁾	Value at Market Price May 10, 2022 ⁽⁴⁾	Value Per Company Policy May 10, 2022 ⁽⁵⁾	Share Ownership Guidelines Met? ⁽⁶⁾
60,268	127,187	2,303,822	2,885,940	N/A



Tony S. Giardini

Independent: Yes

Age: 63

Location: Rome, Italy

Director since:

June 29, 2021

2021 election results:

99.95% Votes For

Qualifications

Chartered Professional Accountant (Ontario and British Columbia), Chartered Business Valuator (British Columbia), Certified Public Accountant (Illinois) Bachelor of Commerce, University of British Columbia, Vancouver, British Columbia

Tony Giardini is the President and Chief Executive Officer of Trilogy Metals Inc. Mr. Giardini was President of Ivanhoe Mines Ltd. from May 2019 to March 2020 and was Executive Vice President and Chief Financial Officer of Kinross Gold Corporation from December 2012 to April 2019. He was Chief Financial Officer of Ivanhoe Mines Ltd. from May 2006 to April 2012. Prior to joining Ivanhoe Mines Ltd., he was Vice President and Treasurer of Placer Dome Inc. from 2002 to 2006.

Mr. Giardini is a Chartered Professional Accountant and a Certified Public Accountant and spent 12 years with accounting firm KPMG prior to joining Placer Dome Inc.

The Board has determined that Mr. Giardini is an audit committee financial expert based on his financial designations, education, and extensive international financial experience in extractive industries.

Key Areas of Expertise/Experience

Board Experience	Senior Management	Mining Operations	Mine Development & Construction
Mineral Exploration	Strategy, Corporate Finance and M&A	Financial/Audit	Governance
Sustainability	Communications/IR	Compensation/HR	IT/Cyber/Digital

2021 Board/Committee Membership	2021 Attendance		Other Public Board Memberships and Interlocks
Board of Directors	5 of 5	100%	Trilogy Metals Inc. No Interlocks
Audit (Chair)	2 of 2	100%	
Compensation Committee	3 of 3	100%	

Note: Mr. Giardini was appointed chair of the Audit Committee and as a member of the Compensation Committee following his election to the Board on June 29, 2021.

Common Shares Held (#) ⁽³⁾	50% of Share Units Held (#) ⁽³⁾	Value at Market Price May 10, 2022 ⁽⁴⁾	Value Per Company Policy May 10, 2022 ⁽⁵⁾	Share Ownership Guidelines Met? ⁽⁶⁾
17,065	0	209,729	226,435	N/A



Jennifer J. Hooper

Independent: Yes

Age: 57

Location: Toronto, Ontario, Canada

Director since:

June 29, 2021

2021 election results:

99.93% Votes For

Qualifications

Master of Science, Civil Engineering (Environmental) from Queens University, Kingston, Ontario, Bachelor of Science in Chemical Engineering from the University of Waterloo, Waterloo, Ontario

Jennifer Hooper is the CEO of the Academy for Sustainable Innovation (“ASI”), a not-for-profit organization whose mission is to promote and deliver new educational pathways to accelerate Canada’s transition to a low carbon socially inclusive economy. Ms. Hooper has almost 30 years’ experience in safety, health, environment, and sustainability. Prior to joining ASI, Ms. Hooper served in senior leadership positions at Vale Canada and Vale S.A. Her most recent role with Vale was as lead of the global health and safety function, focusing on fatality, injury and illness prevention and employee and community health.

Prior to this, Ms. Hooper held senior leadership positions in safety, health, environment, and sustainability at Vale, as VP Sustainability Global Base Metals; VP Sustainability and Human Resources; VP Sustainability, Nickel Business; and as Director, Regulatory Affairs. Previous roles include E.I DuPont, and director positions in the Ontario Government, in the Ministry of Labour and Ministry of Environment.

Key Areas of Expertise/Experience			
Board Experience	Senior Management	Mining Operations	Mine Development & Construction
Strategy, Corporate Finance and M&A	Governance	Sustainability	Communications/IR
Compensation/HR			

2021 Board/Committee Membership	2021 Attendance		Other Public Board Memberships and Interlocks
Board of Directors	5 of 5	100%	None
Safety and Corporate Social Responsibility Committee (Chair)	2 of 2	100%	
Corporate Governance and Nominating Committee	1 of 1	100%	

Note: Ms. Hooper was appointed chair of the Safety and Corporate Social Responsibility Committee and as a member of the Corporate Governance and Nominating Committee following her election to the Board on June 29, 2021.

Common Shares Held (#) ⁽³⁾	50% of Share Units Held (#) ⁽³⁾	Value at Market Price May 10, 2022 ⁽⁴⁾	Value Per Company Policy May 10, 2022 ⁽⁵⁾	Share Ownership Guidelines Met? ⁽⁶⁾
4,005	8,533	154,086	164,642	N/A



Jay C. Kellerman

Independent: Yes

Age: 58

Location: Toronto,
Ontario, Canada

Director since:
June 29, 2021

2021 election results:
99.93% Votes For

Qualifications

Bachelor of Laws from the University of Windsor,
Windsor, Ontario

Jay Kellerman is a partner with Stikeman Elliott LLP and Head of the Mining Group, member of the Mergers & Acquisitions and Capital Markets Groups and served as the Managing Partner of Stikeman Elliott's Toronto office from 2012 to 2018. Mr. Kellerman practices principally in the areas of corporate finance and securities law, significantly in the resource sector. With more than 30 years' experience, his clients include public companies, investment banks, investors, boards of directors and special committees. He is also highly regarded for advising on strategic direction and growth, in addition to his transactional services.

Mr. Kellerman is recognized as a leader in his field by such authorities as Who's Who Legal, as a Noble Practitioner Capital Markets: Equity, and M&A by International Financial Law Review's IFLR1000: The Guide to the World's Leading Financial Law Firms 2020, and as a leading lawyer in Corporate Finance and Securities, Corporate Commercial, M&A, and Mining by The Canadian Legal Lexpert Directory 2020.

Key Areas of Expertise/Experience			
Board Experience	Senior Management	Strategy, Corporate Finance and M&A	Financial/Audit
Governance	Legal/Regulatory	Communications/IR	Compensation/HR

2021 Board/Committee Membership	2021 Attendance		Other Public Board Memberships and Interlocks
Board of Directors	5 of 5	100%	None
Corporate Governance and Nominating Committee (Chair)	1 of 1	100%	

Note: Mr. Kellerman was appointed chair of the Corporate Governance and Nominating Committee following his election to the Board on June 29, 2021.

Common Shares Held (#) ⁽³⁾	50% of Share Units Held (#) ⁽³⁾	Value at Market Price May 10, 2022 ⁽⁴⁾	Value Per Company Policy May 10, 2022 ⁽⁵⁾	Share Ownership Guidelines Met? ⁽⁶⁾
7,035	8,533	191,325	212,243	N/A



Rosalie (Rosie) C. Moore

Independent: Yes

Age: 63

Location: Park City,
Utah, U.S.A.

Director since:
June 29, 2021

2021 election results:
99.94% Votes For

Qualifications

Bachelor of Science and Master of Science degrees in Geology from Kent State University in Ohio

Rosie Moore is an exploration geologist and analyst whose 30 plus-year career in mining and metals began as a site exploration geologist on projects in Nevada, Yukon, Peru and Labrador, before taking on corporate management and analyst roles at Diamond Fields Resources Inc., Yorkton Securities, Pan American Silver Corp. and Bear Creek Mining Corporation. She then transitioned into an investment and capital markets focus as a partner/analyst with Geologic Resource Funds, a Boston-based, mining-focused, globally invested equity hedge fund.

Ms. Moore serves as a director of Trifecta Gold Ltd. and Evergold Corp. Ms. Moore was formerly a director of Continental Gold Ltd. and was CEO and a director of Geoinformatics Exploration Inc., managing its take-over of Rimfire Minerals Corporation to yield Kiska Metals Corporation. She also served as a director (2013 to 2016) and as interim CEO and President of Dolly Varden Silver Corp from 2015 to 2016.

Key Areas of Expertise/Experience

Board Experience	Senior Management	Mining Operations	Mine Development & Construction
Mineral Exploration	Strategy, Corporate Finance and M&A	Financial/Audit	Governance
Sustainability	Communications/IR		

2021 Board/Committee Membership	2021 Attendance		Other Public Board Memberships and Interlocks
Board of Directors	5 of 5	100%	Trifecta Gold Ltd. Evergold Corp. No Interlocks
Safety and Corporate Social Responsibility Committee	2 of 2	100%	
Technical Committee	2 of 2	100%	

Note: Ms. Moore was appointed a member of the Safety and Corporate Social Responsibility Committee and the Technical Committee following her election to the Board on June 29, 2021.

Common Shares Held (#) ⁽³⁾	50% of Share Units Held (#) ⁽³⁾	Value at Market Price May 10, 2022 ⁽⁴⁾	Value Per Company Policy May 10, 2022 ⁽⁵⁾	Share Ownership Guidelines Met? ⁽⁶⁾
10,000	8,533	227,764	249,558	N/A



Roy S. Slack

Independent: Yes

Age: 63

Location: North Bay, Ontario, Canada

Director since: June 17, 2020

2021 election results: 99.77% Votes For

Qualifications

Professional Engineer (Ontario), Bachelor of Science, Mining Engineering from Queen's University in Kingston, Ontario

Roy Slack has extensive experience acquired over a career of 38 years in mine design and mine construction throughout North America and overseas. He is the founder and a board member of Cementation Americas and served as president from inception in 1998 to 2018. Cementation Americas was acquired by Murray & Roberts in 2004 and Mr. Slack was responsible for their mining operations in North and South America as well as Europe. He also served as a board member of Cementation Sudamérica (Chile) and Murray & Roberts UK. Cementation, part of the Murray & Roberts worldwide mine service group, established to provide mine contracting and consulting services to the North and South American market, as well as services for North American companies carrying out work overseas. In 2019 the company was recognized as the Gold Winner safest employer in Canada in the Natural Resources Sector. Mr. Slack also currently serves on the board of NORCAT. Mr. Slack also served as President of the Canadian Institute of Mining, Metallurgy & Petroleum ("CIM"), the leading technical industry institute in Canada, for the 2019/2020 term ending May 3, 2020. He is also past chair of the CIM Governance Committee and the CIM Health and Safety Committee.

He has been active in numerous safety initiatives over the years including a past board member of the Ontario Mine Contractors Safety Association, the Mines Accident Safety & Health Association and of the Workplace Safety North Mining Advisory committee. In 2013 he was appointed to the Province of Ontario's first Prevention Council to advise the government on workplace safety, where he served for three years. In 2018 he was inducted into the Sudbury Area Mining Supply and Service Association Hall of Fame and in 2019 he was inducted as a Lifetime Member into the Ontario Mine Contractors Safety Association, only the 12th induction in the 70-year history of the organization.

In 2008 he was awarded the Engineer's Medal for Entrepreneurship by the Professional Engineers of Ontario and in 2009 he was given the Metal Mining Society Award by the CIM. In 2012 he was named a Paul Harris Fellow by Rotary International. In 2017 Nipissing University bestowed upon him an Honorary Doctorate and in April 2021, he was awarded a CIM fellowship.

Key Areas of Expertise/Experience				
Board Experience	Senior Management	Mining Operations	Mine Development & Construction	
Strategy, Corporate Finance and M&A	Governance	Sustainability	Communications/IR	
Compensation/HR				
2021 Board/Committee Membership		2021 Attendance		Other Public Board Memberships and Interlocks
Board of Directors		10 of 10	100%	None
Safety and Corporate Social Responsibility Committee		4 of 4	100%	
Technical Committee (Chair)		8 of 8	100%	
Common Shares Held (#) ⁽³⁾	50% of Share Units Held (#) ⁽³⁾	Value at Market Price May 10, 2022 ⁽⁴⁾	Value Per Company Policy May 10, 2022 ⁽⁵⁾	Share Ownership Guidelines Met? ⁽⁶⁾
28,900	7,294	444,824	498,081	Yes



Elizabeth A. Wademan

Independent: Yes

Age: 46

Location: Toronto,
Ontario, Canada

Director since:
August 10, 2016

2021 election results:
99.23% Votes For

Qualifications

Bachelor of Commerce in Finance and International Business from McGill University, Montreal, Quebec

CFA charterholder

Certified director, Institute of Corporate Directors

Elizabeth Wademan is the President and Chief Executive Officer of Canada Development Investment Corporation. Ms. Wademan has extensive experience acquired from working over 24 years as a senior capital markets executive and experienced corporate director. She spent close to two decades in investment banking, as Managing Director for BMO Capital Markets where she was one of the firm's most senior capital markets professionals and was Head of Global Metals and Mining Equity Capital Markets. She has deep expertise in financial services, capital markets and strategic M&A advisory, commodities and securities markets.

She currently serves as an independent trustee of BSR Real Estate Investment Trust of which she is chair of the compensation, governance and nominating committee and member of the audit committee and previously served as an independent director of SSR Mining Inc. She also serves as director and Campaign Cabinet Member of St. Joseph's Health Centre Foundation.

Key Areas of Expertise/Experience			
Board Experience	Senior Management	Strategy, Corporate Finance and M&A	Financial/Audit
Governance	Sustainability	Communications/IR	Compensation/HR
IT/Cyber/Digital			

2021 Board/Committee Membership	2021 Attendance		Other Public Board Memberships and Interlocks
Board of Directors	10 of 10	100%	BSR Real Estate Investment Trust No Interlocks
Audit Committee	4 of 4	100%	
Compensation Committee (Chair)	7 of 7	100%	

Common Shares Held (#) ⁽³⁾	50% of Share Units Held (#) ⁽³⁾	Value at Market Price May 10, 2022 ⁽⁴⁾	Value Per Company Policy May 10, 2022 ⁽⁵⁾	Share Ownership Guidelines Met? ⁽⁶⁾
8,542	15,153	291,212	390,935	Yes

Notes:

(1) For additional compensation information, see "Section 12 - Statement of Executive and Director Compensation".

(2) "Independent" refers to the standards of independence under National Instrument 52-110 – *Audit Committees*.

(3) "Common Shares Held" refers to the number of Common Shares beneficially owned, controlled or directed (directly or indirectly) by the Director as at May 11, 2022. The number of Common Shares held by each Director nominee is in each case based on information provided by such nominee. "50% of Share Units Held" refers to 50% of the total number of RSUs and PSUs held by each Director nominee. Income tax will be payable on the redemption of the vested RSUs and PSUs. For current holdings of

Common Shares and vested RSUs see also “Section 12.2(c) – Compensation Related Governance - Share Ownership Guidelines”.

- (4) “Value at Market Price – May 10, 2022” is calculated by multiplying the number of Common Shares Held and 50% of the Share Units Held by the closing price of the Common Shares on the TSX on May 10, 2022 of \$12.29.
- (5) For a discussion of the calculation of “Value per Company Policy – May 10, 2022” see “Section 12.2(c) – Compensation Related Governance - Share Ownership Guidelines”.
- (6) Mr. Howes and Ms. Kuzenko have until January 1, 2026 to meet the share ownership guidelines and Mr. Giardini, Ms. Hooper, Mr. Kellerman and Ms. Moore have until June 29, 2026.
- (7) For additional compensation information for Ms. Kuzenko with respect to RSUs and PSUs, see “Section 12.4 - Summary and Other Compensation Tables” including “Incentive Plan Awards”. For additional compensation information for non-executive directors with respect to equity compensation, see “Section 12.7 – Director Compensation.”

11.2 Director Expertise

The Directors have a diverse range of skills and experience. Their principal areas of competence and expertise are:

Director	Rick Howes	Jody Kuzenko	Tony Giardini	Jennifer Hooper	Jay Kellerman	Rosie Moore	Roy Slack	Elizabeth Wademan
Industry								
Board Experience	✓	✓	✓	✓	✓	✓	✓	✓
Senior Management	✓	✓	✓	✓	✓	✓	✓	✓
Mining Operations	✓	✓	✓	✓		✓	✓	
Mine Development & Construction	✓	✓	✓	✓		✓	✓	
Mineral Exploration	✓	✓	✓			✓		
General								
Strategy, Corporate Finance and M&A	✓	✓	✓	✓	✓	✓	✓	✓
Financial/Audit	✓	✓	✓		✓	✓		✓
Governance	✓	✓	✓	✓	✓	✓	✓	✓
Sustainability	✓	✓	✓	✓		✓	✓	✓
Legal/Regulatory		✓			✓			
Communications/IR	✓	✓	✓	✓	✓	✓	✓	✓
Compensation/HR	✓	✓	✓	✓	✓		✓	✓
IT/Cyber/Digital	✓	✓	✓					✓

- ✓ Advanced degree of experience or expertise in a particular area; ✓ General experience in a particular area
 * The Board has determined that Mr. Giardini is an audit committee financial expert.
 Description of each skill area is set out below.

Skills, Experience and Expertise	Description
Industry	
Board Experience	Prior or current experience as a board member of a public company or major private company
Senior Management	Experience leading a public company or major private company or significant function area or division of an organization
Mining Operations	Executive or management experience in relating to the operation of a mining company
Mine Development & Construction	Executive or management experience overseeing or planning and executing large scale projects
Mineral Exploration	Executive or management experience overseeing or planning and executing large scale exploration programs
General	
Strategy, Corporate Finance and M&A	Experience in analyzing, identifying, evaluating, executing and implementing corporate development opportunities, including mergers, acquisitions, partnerships, joint ventures; or executive experience in corporate finance with knowledge of debt and equity markets
Financial/Audit	Minimum standard to serve on the Audit Committee is "Financially Literate" as defined by Canadian securities laws. For an advanced degree of experience, the director must hold at a minimum a CPA or CFA designation, or university degree in commerce, finance or business administration, and to be considered an 'audit committee financial expert', the Director must meet specified criteria sufficient to be considered an audit committee financial expert by securities regulators.
Governance	Strong understanding of the Board's duties and responsibilities and leading regulatory, governance principles and practices
Sustainability	Experience in or a strong understanding of the requirements and leading practices in workplace health and safety, environment and social responsibility, protection of human rights and sustainability including climate change and water management matters
Legal/Regulatory	Current or former practicing lawyer in the areas of corporate, securities, M&A or mining law and regulation
Communications/IR	Experience in overseeing or managing corporate communications/IR programs
Compensation/HR	Experience in overseeing or managing compensation programs, succession planning and talent management
IT/Cyber/Digital	Experience in oversight or the design and implementation of information technology systems, privacy and cybersecurity strategy and policies or executive responsibility for IT role

11.3 Corporate Cease Trade Orders

No proposed Director of the Company is, as of the date hereof, or was within ten years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company), that:

- was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the Director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the Director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

11.4 Bankruptcies and Other Proceedings

No proposed Director of the Company is, as of the date hereof, or has been within ten years before the date hereof, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed Director of the Company has within the ten years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director.

11.5 Penalties and Sanctions

No proposed Director of the Company is, as at the date hereof, or has been subject to:

- any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed Director.

11.6 Majority Voting for Directors

The Board has adopted a majority voting policy stipulating that shareholders are entitled to vote annually in favour of each individual Director nominee at a shareholders' meeting. If the votes in favour of the election of a Director nominee at a shareholders' meeting represent less than the number of votes withheld, the nominee will submit their resignation promptly after the meeting for the Corporate Governance and Nominating Committee's consideration (which resignation will be effective upon acceptance by the Board).

In such circumstances, the Corporate Governance and Nominating Committee will make a recommendation to the Board as to the Directors suitability to continue to serve as a Director after reviewing, among other things, the stated reasons, if any, why shareholders withheld votes, the length of service and the qualifications of the Director, the Director's contribution to the Company, the Company's governance guidelines and TSX listing standards. The Board will consider such recommendation and, within 90 days of the shareholders' meeting, make a decision whether or not to accept the resignation. The Board will accept the resignation absent exceptional circumstances. Following the Board's decision regarding the resignation, the Company will publicly disclose whether the Board has accepted or rejected the resignation, including the reasons for rejecting the resignation, if applicable, and will provide a copy of the news release to the TSX. A Director who tenders their resignation pursuant to the majority voting policy is not permitted to participate in any portion of any meetings of the Board at which their resignation is being considered. The policy does not apply in circumstances involving contested director elections.

At the annual and special meeting of shareholders of the Company held on June 29, 2021, each director nominee was elected within a range of approximately 97.38% - 99.95% of the votes represented in person or by proxy at the meeting cast in favour of the election of such nominee (with a range of approximately 0.05% - 2.62% of the votes withheld).

Following the Meeting, the Company will file on SEDAR at www.sedar.com a report of voting results pursuant to Section 11.3 of National Instrument 51-102 – *Continuous Disclosure Obligations* disclosing the outcome of each matter voted upon at the Meeting and issue a press release regarding all items of business conducted at the Meeting, including the detailed results of the vote for the election of Directors. A copy of the majority voting policy is available on the Company's website at www.torexgold.com.

11.7 Advance Notice

Shareholders who intend to nominate directors must send notice to the Company on or before May 13, 2022, 40 days prior to a shareholder meeting where the notice-and-access method is used to deliver materials to shareholders. This deadline is in accordance with the Company's By-Law No. 2. A copy of By-Law No. 2 is available on the Company's website at www.torexgold.com. Notice of the date of the Meeting was filed on the Company's profile on SEDAR on April 18, 2022.

12. STATEMENT OF EXECUTIVE AND DIRECTOR COMPENSATION

12.1 Report on Executive Compensation from the Compensation Committee



Elizabeth Wademan (Chair), Rick Howes and Tony Giardini

Message to Shareholders

On behalf of the Board, we are pleased to share with you our approach to executive compensation for 2021 and provide additional information on how Torex's executives are paid and the basis for such decisions.

The following message highlights key aspects of our executive compensation program. A more detailed analysis discussion follows in "Section 12.4 - Compensation Discussion and Analysis" beginning on page 50.

Compensation Philosophy

The Compensation Committee's guiding principle of executive compensation is that an appropriate mix of fixed and variable compensation – structured as short- and long-term incentives – will motivate and focus executives to increase long-term shareholder value.

Our programs establish a clear relationship between pay and performance through an emphasis on "at risk" compensation. Torex's short-term incentive plan ("STIP") rewards the operational performance that underpins current value creation and supports future value creation. The STIP incorporates structured Committee judgment over final performance assessments and payouts. Torex's long-term incentive plan ("LTIP") functions differently: it is share-based and aligned with the shareholder experience over a longer timeframe.

Deferred vesting of equity-based compensation, share ownership requirements, strict rules prohibiting hedging, clawback provisions, caps on incentive payouts and a balanced scorecard to measure and assess performance all discourage excessive risk taking (see "Section 12.3(a) – Compensation-Related Governance –

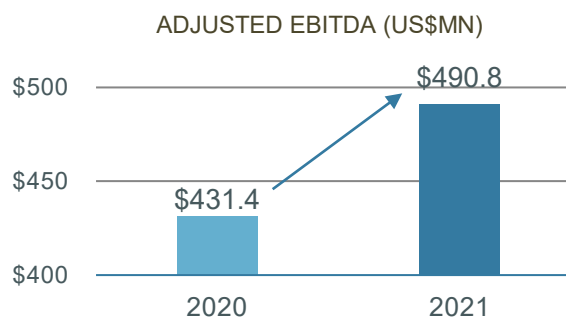
Compensation Philosophy, Risk Management Principles and Policies" beginning on page 46 for more detail).

Commitment to Pay for Performance

Our overall compensation program is designed to support our alignment of objectives throughout all levels of the organization. In line with our strategy, the Board establishes corporate objectives that provide strategic focus and high-level performance metrics for the Company. These objectives then form the basis for the cascading individual objectives through the executive team and their direct reports, all of whom support each other and collectively contribute to the corporate objectives. Through regular reviews of performance relative to the objectives and the establishment of appropriate ranges of performance, the Board and Compensation Committee monitor corporate and executive progress, which is then reflected in compensation.

2021 Company Performance

The Compensation Committee measures Torex's performance in absolute terms and relative (compared to other companies) terms as well as in short-term (annual) and long-term accomplishments. STIP awards are tied to the achievement of annual targets in the balanced scorecard (ESG, production, cost control, set up for growth) that contribute to long-term sustainable shareholder value.



LTIP awards are tied to relative TSR performance over a three-year period and must be earned in order to vest (i.e., PSUs may pay out at zero), which creates alignment with shareholder interests.

2021 Company Performance Highlights:

- Exemplary Safety Results:** Torex maintained its track record of extraordinary safety results. The 2021 lost time injury frequency rate (“LTIF”) was 0.14 per million hours worked, which is lower than the LTIF in 2020. Torex’s safety procedures and processes are world class, evidenced by the ability to adapt based on the ever-changing working environment caused by the pandemic with no production interruptions. 97% of employees and 85% of the contractor workforce were fully vaccinated by the end of 2021.
- Record annual production:** In spite of ongoing challenges and labour interruptions caused by the pandemic, Torex delivered record annual gold production of 468,203 ounces, surpassing the prior record of 454,811 ounces set in 2019. The Company also set a record milling rate of more than 12,360 tonnes per day and a record underground mining rate of 1,260 tonnes per day.
- Excellent cost guidance results:** Torex achieved total cash costs² of US\$674 per ounce, which was below the guided range. All-in sustaining costs² were at the lower end of the guided range at US\$928 per ounce, reflecting continued excellence in operational results.
- Robust financial results:** Torex achieved strong financial performance in 2021, with adjusted EBITDA² of US\$490.8 million and operating cash flow of US\$330 million. The Company continued to maintain its net cash position² and no debt, resulting in more than US\$405 million in available liquidity at December 31, 2021.
- ESG Excellence:** Torex’s strategy is to align with leading ESG standards, such as adhering to the WGC RGMP (Year 1 requirements complete), the International Cyanide Management Code, and developing a climate change strategy with planned carbon reduction targets. By focusing on enhancements to disclosure in 2021, Torex

achieved impressive ESG ratings relative to 2020:

- MSCI: A rating from BBB
- Refinitiv: B rating from C+
- ISS: Highest governance rating possible (‘1’)
- Sustainalytics: Improved risk rating score of 35.3 from 47.7

Compensation and Performance Peers



The Compensation Committee uses two peer groups as part of its executive compensation process and these peer groups are reviewed periodically for continued appropriateness.

The Compensation Committee assesses executive compensation levels using a group of comparator companies, known as the ‘**benchmarking peer group**’. These North American publicly-traded mining companies are similar to Torex in profile and complexity, and are within a reasonable size range of Torex based on total assets, revenue and market capitalization. These are the companies that Torex primarily competes with for executive talent.

As a significant component of our LTIP is performance-vested through performance share units (“PSUs”), a **total shareholder return (“TSR”) performance peer group** is used to assess achievement of our TSR compared to our peers. These publicly-traded precious metal mining companies have exposure primarily to gold price, reflect our competition for investment dollars and have broadly similar business characteristics to Torex.

² Total cash costs (“TCC”), all-in sustaining costs (“AISC”), adjusted EBITDA, and net cash position are non-GAAP measures. The most directly comparable GAAP financial measures that is disclosed in the Company’s audited annual consolidated financial statements for the year ended December 31, 2021, are cost of sales (TCC and AISC), and net income (adjusted EBITDA). See Torex’s annual management’s discussion & analysis for additional for the year ended December 31, 2021, dated February 23, 2022, which is available on the Company’s website (www.torexgold.com) and under the Company’s SEDAR profile (www.sedar.com) and a reconciliation of the non-GAAP measure to the most directly comparable GAAP measure; such information is incorporated by reference into the Circular.

Key Areas of Compensation Focus 2021

We regularly review our executive compensation programs to ensure they are aligned with creation of value for our shareholders. We focus on performance relative to peer companies and against our business plans and strategy while maintaining good governance processes and practices. Within that context, we focused on the following in 2021:

- Reviewed the structure of the STIP and LTIP programs, with focus on qualifying relative TSR performance peers, in the LTIP, and on adding more formal rigour to the evaluation of performance against goals in the STIP
- With assistance from Meridian, our independent compensation consultant, conducted a review of our executives' compensation against peer and other market data
- Held our annual "Say on Pay" advisory vote as part of our 2021 Annual and Special Meeting and received a 98.2% approval result, as noted in more detail under "Say on Pay" below
- For the Board compensation program, made the decision to discontinue the use of stock options as a vehicle for director equity-based compensation, as discussed under "Director Compensation" below

2021 CEO Compensation

Corporate performance remains the single biggest factor affecting the Board's decision on pay for Torex's President & Chief Executive Officer ("CEO"). The CEO's target compensation mix is 24% base salary and 76% at-risk compensation (24% STIP and 51% LTIP).

- The LTIP is awarded as RSUs and PSUs (40%/60% weighting, respectively). PSUs vest based on relative TSR performance against the performance peer group, allowing us to assess outperformance relative to other precious metals mining companies.
- Ms. Kuzenko was appointed as CEO in June, 2020 reporting to the Executive Chair. In 2021, with the change in structure and removal of the Executive Chair role, her base salary was adjusted by 27% pursuant to the Company's plan to align with full CEO target total compensation market levels and structure over a multi-year transition period, subject to Company and individual performance.

- The CEO's target total direct compensation in 2021 was \$3.3 million. Ms. Kuzenko's annual bonus for 2021 was \$963,240, reflecting the Company's strong performance (120%) and her individual performance (120%) on the STIP targets.

"Say on Pay"

Pay for performance and alignment with shareholders are the foundation of our executive compensation practices. The Board believes in continually enhancing our corporate governance practices and values the shareholder perspective. Accordingly, we provide shareholders the opportunity to vote on the Company's approach to executive compensation through an annual "Say on Pay" advisory vote.

The Company has had strong shareholder support for its executive compensation program as evidenced by the voting results set out below:

Year of Meeting	Result
2021	98.2%
2020	96.8%
2019	98.0%
2018	96.1%
2017	97.1%

Conclusion

The Compensation Committee is committed to working hard on behalf of the Board and overseeing all compensation matters in the best interest of Torex and its Shareholders. While the feedback from our Shareholders on our approach was very positive last year, we continue to monitor developments in executive compensation.

Respectfully,

Compensation Committee

Elizabeth Wademan, Chair, Rick Howes and Tony Giardini

12.2 Compensation Committee Members Education and Experience

Each member of the Compensation Committee has experience relevant to their responsibilities as a Compensation Committee member.

Member	Education	Experience
Elizabeth Wademan (Chair)	Bachelor of Commerce in Finance and International Business from McGill University Chartered Financial Analyst (CFA) Certified director, ICD.D	See Ms. Wademan's Director Profile. Ms. Wademan served as member of the Compensation Committee from June 2018 and as Chair from June 2018 to June 2020 and from June 2021 to date. She currently serves as President and Chief Executive Officer of Canada Development Investment Corporation since March 2022. She is an independent trustee of BSR Real Estate Investment Trust, where she is chair of the compensation, governance and nominating committee and a member of the audit committee. She previously served as an independent director of SSR Mining Inc. and as a member of the compensation committee.
Tony Giardini	Chartered Professional Accountant (Ontario and British Columbia) Chartered Business Valuator (British Columbia) Certified Public Accountant (Illinois) Bachelor of Commerce, University of British Columbia, Vancouver, British Columbia	See Mr. Giardini's Director Profile. Mr. Giardini serves as President and Chief Executive Officer of Trilogy Metals Inc. He has also served in executive positions with senior mining companies since 2002 including as Executive Vice President and Chief Financial Officer of Kinross Gold Corporation from May 2006 to April 2012.
Rick Howes	Bachelor of Applied Science with Honours in Mining Engineering, Queen's University, Kingston, Ontario	See Mr. Howes' Director Profile. Mr. Howes retired as President and Chief Executive Officer of Dundee Precious Metals Inc. in May 2020. He joined Dundee Precious Metals in 2009 and held senior positions until his appointment as President and Chief Executive Officer in April 2013. Mr. Howes also serves as a non-executive director of Hudbay Minerals Inc., of which he is a member of the compensation and human resources committee, and Anaconda Mining Inc., of which he is a member of the governance committee and the compensation committee.

12.3 Compensation-Related Governance

(a) Compensation Philosophy, Risk Management Principles and Policies

The Compensation Committee's compensation philosophy is summarized as follows:

- The overall purpose of the policy is to align Named Executive Officer ("NEO") decision making with the interests of the Company's shareholders.
- Executive compensation is intended to be highly competitive with market, in order to attract and retain talented and high performing executives who are capable of successfully interpreting the complexity of the business environment in order to be able to make the quality decisions that advance shareholder interests.
- Compensation is intended to be mostly "at risk" and linked to corporate and individual performance.

The program is intended to align executive interests with the principle of "doing the right thing" for the Company and its stakeholders. Incentive compensation should recognize the quality of

management's judgment in dealing with the obstacles that create variability in the Company's business environment.

Short-term incentive compensation is intended to incent executives to achieve operational and growth-oriented strategic objectives in support of future value creation. It is based on objective criteria while preserving a role for Compensation Committee judgment in the final assessment of performance. This is particularly so given that business circumstances may change over the course of the year, and the "degree of difficulty" as assessed at year-end may differ (in either direction) from what was anticipated at the start of the year.

Long-term incentive compensation is intended to align executives' interests with the shareholder experience over a longer timeframe.

- Compensation should be differentiated between roles of differing accountability and complexity.

In establishing the Company's compensation policies, the Compensation Committee seeks to address compensation-related risks. The Company's compensation programs:

- Are designed to work as part of a single compensation system. Each element of the program has its own purpose and is intended to work in conjunction with the other elements to encourage the responsible management of all aspects of the Company's operations.
- Measure performance based on a portfolio of operational, financial, and stock price-related indicators.
- Incorporate the structured application of judgment into the evaluation of performance against STIP goals. The STIP is neither based on a purely formulaic assessment of performance against objectives (which could give executives an incentive to maximize their short-term benefits to the detriment of the long-term value of the Company), nor on a purely subjective, discretionary approach to STIP payout determination.
- Provide a balance between performance measured relative to peers/industry, and performance measured against pre-set internal objectives.
- Provide for equity awards to be made annually to ensure that executives remain exposed to the consequences of their decision making through their unvested equity-based incentives.
- Avoid excessive payouts to senior executives and other employees.
- Are reviewed regularly by the Compensation Committee for ongoing alignment with the Company's business and compensation strategy and objectives, and with market and best practices for senior executive compensation design.

The Compensation Committee believes that the programs are balanced and do not motivate unnecessary or excessive risks. The Compensation Committee has not identified any risks from the Company's compensation practices or policies that are likely to have a material adverse effect on the Company.

Good Governance Practices		No Problematic Pay Practices	
✓	A broad array of indicators to measure short- and long-term incentive plan performance	✗	No supplemental benefit arrangements
✓	More than 50% of senior executive equity-based compensation is performance-based	✗	No excessive perquisites
✓	More than 75% of CEO compensation and ~55% of other NEO compensation (on average) is at risk	✗	No excessive severance payments
✓	Caps on short- and long-term incentive award payouts	✗	No guaranteed STIP or other annual bonus payments
✓	Directors and senior executives are subject to share ownership guidelines (expanded in 2020)	✗	No loans to Directors or executives
✓	Clawback and anti-hedging policies	✗	No repricing of stock options
✓	Independent Compensation Committee and compensation consultant	✗	No automatic single-trigger vesting acceleration on equity awards upon change in control
✓	Annual Say on Pay advisory vote		

(b) Clawback Policy

The Board has adopted a clawback policy that allows it to require reimbursement of excess incentive compensation paid or granted to any officer, Director, or employee, if:

1. The Company is required to restate its financial statements to correct a material error,
2. The officer, Director, or employee engaged in intentional misconduct which directly or partially caused the need for the restatement or correction, and
3. The compensation paid to the officer, Director, or employee would have been lower had it been based on the properly reported financial results (the difference being the "excess incentive compensation").

If these three events occur, the Board and the Compensation Committee will determine how to apply the policy to the situation. If the Board and Committee determine that the policy should be triggered, the Company will seek to claw back the excess incentive compensation paid or granted during or for the years subject to the restatement. The clawback policy may be applicable to cash and/or equity-based incentive compensation.

(c) **Share Ownership Guidelines**

To align the interests of the Company's Directors and executives with those of shareholders, the Compensation Committee has adopted share ownership guidelines (the "**Share Ownership Guidelines**") applicable to Directors and executives, as follows:

Participant	Guideline
Chief Executive Officer	4.2X base salary
Chief Operating Officer and Chief Financial Officer	3X base salary
Other Executives (reporting to the CEO or Executive Chair)	1X base salary
Non-Executive Directors	4.2X base annual cash retainer

The executive guideline values are equal to two times the value of each executive's annual LTIP grant. The guideline values for Board members align with the CEO's multiple.

Common Shares owned outright, and 50% of Common Shares issuable under Share Units are included in assessing whether the guideline has been met. Stock options are not included in assessing guideline compliance. Covered participants have five years following their date of hire or election/appointment to the Board to achieve the ownership levels, and five years following a promotion into a new role with a new salary rate, or a change in base retainer as applicable, to achieve the associated incremental ownership level.

For purposes of measuring guideline attainment, the value of eligible equity is determined as follows:

- For Share Units (or Common Shares obtained from the redemption of Share Units), the price used to size the original grant of RSUs or PSUs
- For Common Shares obtained through the exercise of stock options, the closing price on the day before the options are exercised
- For other Common Shares, the acquisition price

Once the applicable relevant threshold is deemed to have been satisfied, the participant is deemed to have met their guideline requirement on an ongoing basis, provided that they do not dispose of Common Shares which causes them to fail to meet the relevant threshold immediately following such disposition.

The Compensation Committee reviews the share ownership guidelines from time to time and recommends any changes to the Board for approval.

The table below shows the degree of attainment with guideline requirements as revised in 2020. Covered executives and Board members have until 2026 to come into compliance with the revised guidelines.

Participant	Guideline Value ⁽¹⁾	Common Shares Held ⁽²⁾	50% of Share Units Held ⁽²⁾	Value of Ownership Position Per Guidelines	Value of Ownership Position at Market Price ⁽²⁾	Share Ownership Guidelines Met? ⁽³⁾
Executives						
Jody Kuzenko (CEO)	3,371,340	60,268	127,187	2,885,940	2,303,822	N/A
Andrew Snowden (CFO)	1,404,000	16,673	53,834	1,115,785	866,525	N/A
Directors						
Frank Davis	357,000	9,476	16,628	455,590	320,812	Yes
Tony Giardini	357,000	17,065	—	226,435	209,729	N/A
Jennifer Hooper	357,000	4,005	8,533	164,642	154,086	N/A
Rick Howes	357,000	12,428	6,616	269,447	234,045	N/A
Jay Kellerman	357,000	7,035	8,533	212,243	191,325	N/A
Rosie Moore	357,000	10,000	8,533	249,558	227,764	N/A
Roy Slack	357,000	28,900	7,294	498,081	444,824	Yes
Elizabeth Wademan	357,000	8,542	15,153	390,935	291,212	Yes

Notes:

(1) Based on 2022 base salary rates and annual cash retainers, as the case may be.

(2) Common Shares and RSUs and PSUs held on May 11, 2022. Value based on the closing price of the Common Shares on the TSX on May 10, 2022 of \$12.29/share.

(3) Ms. Kuzenko, Mr. Howes and Mr. Snowden have until January 1, 2026 to meet the share ownership guidelines and Mr. Giardini, Ms. Hooper, Mr. Kellerman and Ms. Moore have until June 29, 2026.

(d) *Anti-Hedging Policy*

The Company's insider trading policy further aligns the interests of shareholders, Directors, and employees, by prohibiting Directors and employees from purchasing financial instruments (including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds) that are designed to hedge or offset a decrease in the market value of their holdings of Company stock.

(e) *Independent Advice/Executive Compensation-Related Fees*

The Compensation Committee retains independent advisors as it deems appropriate to assist it with its decision-making related to senior executive compensation. The Compensation Committee considers the information and recommendations provided by its advisor (and by management), but is ultimately responsible for its own decision-making. In 2021, the Compensation Committee retained Meridian Compensation Partners ("**Meridian**") to provide independent advice to the Compensation Committee. A summary of fees billed by Meridian for such services in 2020 and 2021 is as follows:

	2021	2020
Executive Compensation Related Fees (\$)	\$127,070	\$83,109
All Other Fees (\$)	Nil	Nil

12.4 Compensation Discussion and Analysis ("CD&A")

(a) *Named Executive Officers*

In 2021, the Company's NEOs were:

- Ms. Jody Kuzenko – President and CEO
- Mr. Fred Stanford – Executive Chair (Former)

- Mr. Andrew Snowden - Chief Financial Officer (“CFO”)
- Mr. Bernie Loyer - Vice President, Projects (Former)
- Ms. Anne Stephen - Vice President, Human Resources and Organization Effectiveness (Former)

(b) Leadership Transitions in 2021 and early 2022

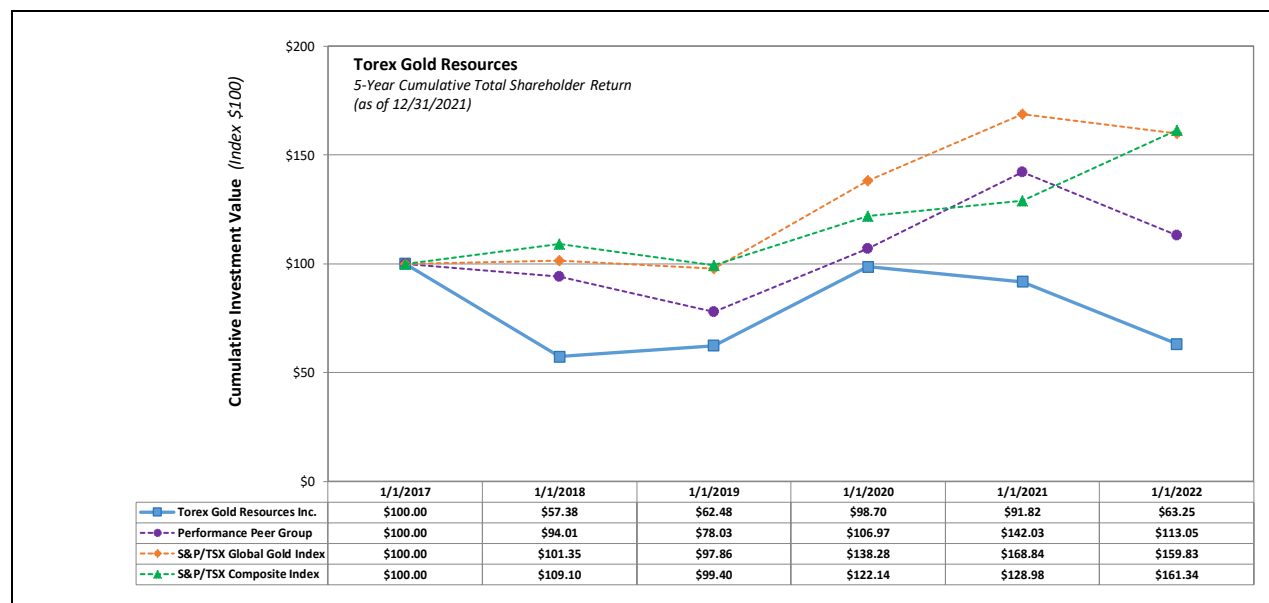
Mr. Stanford retired from Torex and stepped down from the Board following the 2021 annual shareholder meeting. In 2021, there were other transitional changes that created a more streamlined executive team, which currently has seven members, down from ten members in June 2021. Changes that took place in 2021 include Andrew Snowden joining the Company as Chief Financial Officer in January 2021, and Jon Gilligan, Vice President, Automated Mine Design leaving the Company after the conclusion of the Muckahi test program in July 2021. In September 2021, David Stefanuto joined the Company in a new role as Executive Vice President, Technical Services and Capital Projects; this role consolidated the former roles of Barry Murphy, Vice President, Engineering and Bernie Loyer, Vice President, Projects, who both left the Company in 2021. In March 2022, after more than a decade with the Company, Anne Stephen, Vice President, Human Resources and Organization Effectiveness left the Company, and as such, the Human Resources function has now been consolidated under Angie Robson, Senior Vice President, Human Resources, ESG and Communications.

Coincident with these executive changes, Torex’s leadership responsibilities have been restructured with each team member assuming accountability for a larger portfolio of responsibilities. NEO compensation in future years will reflect these more concentrated responsibilities.

(c) NEO Pay and TSR Performance

Equity-based compensation represents more than 50% of the CEO’s target total direct compensation and more than 30% for the other NEOs on average, meaning a significant fraction of the value realized by the NEOs depends on Torex’s share price performance, as noted in the Committee Chair’s letter above.

Torex's 5-year cumulative indexed TSR compared to that of the S&P/TSX Composite and the Company's performance peer group (see page 59), based on the value of \$CAD 100 invested as of January 1, 2017, is included in the chart below. The amounts assume the reinvestment of all dividends.



Peer group weighted by market cap; reweighted annually on January 1st.

(d) Oversight of the Executive Compensation Program

The Compensation Committee oversees the compensation of the NEOs. The Compensation Committee's responsibilities include, but are not limited to:

- Reviewing and recommending to the Board for approval the compensation and other benefits of the NEOs.
- Reviewing the goals and objectives of the NEOs for the next financial year of the Company.
- Evaluating the performance of the NEOs following the end of the financial year with input from the CEO on goals, objectives and performance of the NEOs other than the CEO and the Executive Chair.

In determining its recommendation to the Board for CEO compensation, the Compensation Committee considers the CEO's performance, the Company's performance, the compensation of other chief executive officers at comparable companies, the Executive Chair's input and recommendation, other relevant factors including the CEO's self-assessment, and input from the Compensation Committee's independent advisor.

In determining its recommendation to the Board for other NEO compensation (other than the Executive Chair's compensation), the Compensation Committee considers the CEO's evaluation of each NEO's individual performance and pay recommendations, the Company's performance, the compensation of executives at comparable companies, input from the Compensation Committee's independent advisor, and other relevant factors. The Compensation Committee, as members of the Board and other Board committees, also receive presentations from and interact directly with the NEOs over the course of the year.

(e) Use of Market Data and Peer Group for Benchmarking

The Compensation Committee reviews compensation elements for each NEO annually, taking into account each NEO's scope of responsibilities, experience, and individual performance. The Compensation Committee also compares NEO compensation levels, by component of pay and in total, to benchmark market data, which is developed primarily using a peer group of mining companies. This group was last reviewed in 2021 using the following criteria:

- Mining companies with a North American public exchange listing and a focus on producing precious metals
- Within a reasonable size range of Torex (generally 1/3x to 3x Torex's size, based on total assets, with revenue and market capitalization used as secondary screening criteria)

Torex's benchmarking peer companies in 2021 included:

Alamos Gold Inc.	Dundee Precious Metals Inc.	OceanaGold Corp
Argonaut Gold Inc.	First Majestic Silver Corp	Pan American Silver Corp
B2Gold Corp	Fortuna Silver Mines Inc.	Pretium Resources Inc. ²
Centerra Gold Inc.	Hecla Mining Co	SSR Mining Inc.
Coeur Mining, Inc.	Kirkland Lake Gold Inc ¹	Teranga Gold Corp ³

¹ Kirkland Lake Gold has been removed from Torex's peer group following its acquisition in February, 2022.

² Pretium Resources has been removed from Torex's peer group following its acquisition in March 2022.

³ Teranga Gold has been removed from Torex's peer group, following its acquisition in February, 2021.

When making pay decisions, the Compensation Committee considers market data from this group, or other industry market data as appropriate, with particular focus on the market median, and seeks to position NEO target total compensation competitively given those reference points. 2021 pay actions with respect to salaries and incentive compensation opportunities were generally taken with this positioning objective in mind.

(f) Elements of Torex's Compensation Program

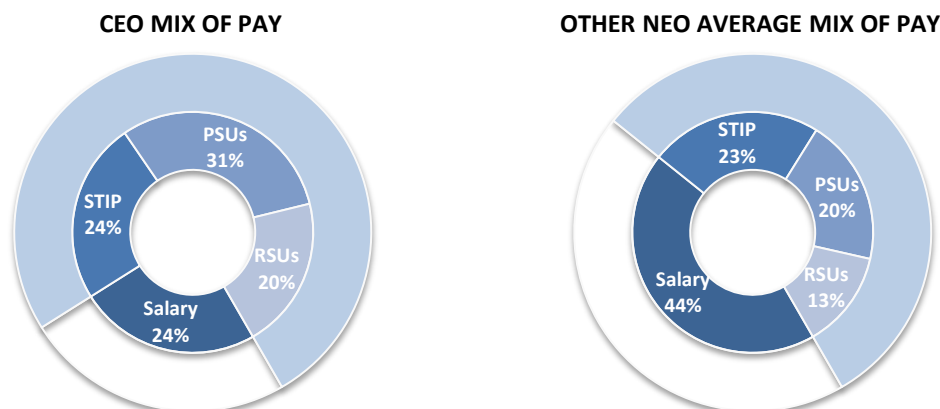
The components of the Company's compensation program are base salary, short-term incentive, long-term incentive, and benefits as set out in the table below:

Compensation Element	Form	Performance Period	Purpose
Annual Compensation			
Base Salary	Cash	N/A	Fixed pay paid throughout the year that provides a baseline market competitive level of compensation to NEOs for the level of accountability and complexity inherent in their roles.
Short-Term Incentive (STIP)	Cash	1 year	At-risk pay intended to provide a meaningful incentive to achieve the Company's annual operational objectives. Executives are rewarded based on the achievement of specific mine-wide and individual goals.
Long-Term Incentive Plan (LTIP) Compensation			
Performance Share Units (PSUs)	Shares/Cash	3 years	At-risk equity-linked pay that aligns NEO interests over the longer term with those of investors, by requiring superior relative TSR performance over each three-year performance period.
Restricted Share Units (RSUs)	Shares/Cash	3 years	Equity-linked pay that vests after three years, which supports a longer-term focus for decision-making and aligns executive interests with those of shareholders.
Other Compensation			
Benefits and Perquisites	N/A	N/A	<p>Baseline employee benefits necessary to maintain market competitiveness and maintain executive health and well-being. NEOs generally are eligible for group benefit programs (medical, pharmacy, vision, life and AD&D insurance), on the same basis as other employees.</p> <p>Mr. Loyer participated in Torex's U.S. group benefit plans for international rotator employees.</p> <p>Mr. Loyer was entitled to a housing allowance and tax equalization benefits.</p> <p>The NEOs are entitled to annual health assessments.</p> <p>The Company does not have any pension or group retirement savings plans for its employees.</p>

(g) Mix of Pay

2021 target compensation mix and at-risk pay for the CEO and other NEOs (excluding the Executive Chair, who had a different pay structure as discussed further below) is shown in the charts below (based on 2021 base salary rates, target STIP opportunities, and intended (target) LTIP award values in percentage of

salary terms). More than 75% of CEO pay and more than 50% of other NEO pay, at target, is "at risk" and subject to performance:



Totals may not equal 100% due to rounding.

(h) Summary of NEO Target Compensation Values

2021 NEO target direct compensation (the sum of salary, STIP opportunity, and target value of LTIP awards) are summarized as follows (dollar values in \$CAD unless otherwise noted):

Name	2021 Salary	STIP		LTIP Allocation PSUs	RSUs	Target Direct Compensation
		Opportunity (% of Salary)	(LTIP Award % of Salary)			
Mr. Stanford (Executive Chair) (Former)	\$1,572,000	N/A	N/A	N/A	N/A	\$1,572,000
Ms. Kuzenko (CEO)	\$802,700	100%	210%	60%	40%	\$3,291,070
Mr. Snowden (CFO)	\$450,000	60%	150%	60%	40%	\$1,395,000
Mr. Loyer ¹ (Former)	\$346,400	50%	50%	60%	40%	\$692,800
Ms. Stephen (Former)	\$341,500	50%	50%	60%	40%	\$683,000

¹ Values for Mr. Loyer are expressed in \$USD.

(i) Compensation for the Executive Chair

As Executive Chair of the Board, Mr. Stanford remained employed by Torex. His compensation was delivered in the form of salary only.

(j) 2021 Base Salaries

The Compensation Committee adjusted base salaries for 2021 to reflect local market movements in salary merit budgets and inflation adjustments. In addition, Ms. Kuzenko's salary rate was adjusted to align her total compensation more closely with market, as part of a planned pay progression.

(k) Short-Term Incentive Plan

STIP bonuses are paid based on performance against a series of performance objectives. Each of the NEOs has a target STIP opportunity expressed as a percentage of base salary and allocated between "Corporate" and "Individual" objectives.

STIP payouts may range from 0% to 200% of target, depending on performance for the year. Performance within Torex's external guidance range could be expected to generate a payout of between 80% and 150% of target, for a given indicator. However, the Committee's final performance evaluation and payout determination also considers performance measured holistically against all STIP indicators. A payout at 200% of target would require exceptional performance across multiple dimensions of the STIP scorecard.

The STIP metrics and weightings for 2021, and actual performance assessments, were as follows:

	Performance Measure	Weighting	Goals and Performance Assessment
Corporate	ESG	25%	<ul style="list-style-type: none"> No fatalities Lost time injury frequency rate (LTIF) <1.0/million hours worked No reportable spills (1,000 litres or more that report to the river or the reservoir) Complete self-assessment against WGC's RGMP, independently verified and assured by a third party Assessment: Performance Exceeded Target (105%) No fatalities, actual LTIF of 0.14, and no reportable spills. All modules for SafeStart and supervisor excellence completed and 3 out of 4 leadership enhancement modules were completed due to postponement. Internal self-assessment against the RGMP was completed, verified independently, and published on Torex's website
	Production (2021)	35%	<ul style="list-style-type: none"> Produce between 430,000 and 470,000 ounces of gold Assessment: Performance Exceeded Target (150%) 468,203 ounces of gold were produced (at the high end of guidance)
	Cost Control	15%	<p>Original Goals (all figures in \$USD)</p> <ul style="list-style-type: none"> TCC of \$680 - \$720 per ounce AISC of \$920 - \$970 per ounce Non-sustaining capital expenditures +/- 5% of planned spend of \$158 million Assessment: Performance Exceeded Target (117%) <ul style="list-style-type: none"> TCC was \$674/ounce AISC was \$928/ounce Non-sustaining capital expenditures were \$152 million
	Set-up for Growth	15%	<ul style="list-style-type: none"> Strip 38 million tonnes of waste 10,000 metres of underground development Complete the 2021 infill drilling program for Media Luna Advance the Media Luna feasibility study Complete the Media Luna early works program

Performance Measure	Weighting	Goals and Performance Assessment
		<ul style="list-style-type: none"> • Complete pre-feasibility study on El Limón pit expansion • Complete monorail-based mining system rate test program • Assessment: Performance Near Target (87%) <ul style="list-style-type: none"> • Stripped 36 million tonnes of waste • Completed 9,743 metres of UG development • 81,000 metres were drilled in Media Luna • The Media Luna feasibility study was in progress at year-end • Portions of the Media Luna tunnels were completed • El Limón pit expansion study was completed • Monorail-based mining system tests were completed
Individual Objectives	Specific performance objectives set at the start of the year for each NEO based on their scope of responsibilities. The individual objectives were designed to link back to and support the CEO's objectives, which are included below with accompanying assessments of performance:	

NEO STIP payouts are determined by the Compensation Committee and recommended to the Board for approval, with input from the CEO. As noted above, the Compensation Committee does not follow a strictly formulaic approach to determining STIP attainment. Instead, the Compensation Committee examines degree of attainment against the performance goals listed above, the overall operational performance of the Company, and any mitigating or offsetting factors, prior to making its determinations as to actual STIP payouts.

In early 2022, the Compensation Committee considered the Company's performance against the 2021 corporate STIP goals.

The Committee also considered each NEO's individual contributions against their Individual Objectives, and Ms. Kuzenko's recommendations, for NEO awards other than her own.

After reviewing these factors, the Committee approved STIP payouts based on Company performance of 120% applied to all and individual performance of 120% for Ms. Kuzenko, 125% for Mr. Snowden and 100% for Ms. Stephen. Mr. Stanford and Mr. Loyer were not eligible to receive STIP payouts given their separations from the Company in 2021.

(I) Long-Term Incentive Plan

The purpose of the Company's long-term incentive program is to provide a meaningful incentive to achieve the Company's annual operational objectives through decisions that are consistent with creating long-term value to support the Company's share price.

In support of this objective, the Company delivers long-term incentive awards to the NEOs and other senior executives via two vehicles:

- **Performance Share Units (PSUs)** linked to the Company’s relative total shareholder return over a three-year performance period (60% weighting by value). PSUs must be earned in order to vest, and have no “floor” level of payout (i.e., they can pay out at 0% of the number of share units granted).
- **Restricted Share Units (RSUs)** that vest based on the passage of time (40% weighting by value). RSU awards vest at the end of a three-year period.

Executive PSU and RSU awards are made under Torex’s ESU Plan and are intended to be settled with shares from treasury or in cash shortly after vesting. Certain terminations of employment may alter the vesting treatment applicable to outstanding PSU and RSU awards. Please see "ESU Plan" on page 72 for more details on this plan. The Compensation Committee intends to make equity-based awards to the NEOs annually, to help maintain ongoing alignment between NEO compensation and the shareholder experience.

The Long-Term Incentive plan has two key features:

- The 60% weighting to PSUs, which must be earned in order to vest (i.e., they do not vest based solely on the passage of time), is aligned with market trends and best practice.
- The relative TSR performance metric is well-aligned with shareholder interests. The number of PSUs that vest is determined based on whether Torex outperforms other gold mining companies in its performance peer group. This moderates the effect of gold price on PSU payouts, provides a significant reward for executives only if the Company outperforms its performance peer group, and ensures that a change in the price of gold alone cannot create high payout values.

RSUs were selected as the other vehicle for the program, because they provide a suitable balance against the higher-risk/reward properties of the PSU vehicle, and support ongoing retention of key executives while preserving alignment with shareholders.

For PSU awards outstanding at December 31, 2021, PSUs will cliff-vest at the end of a three-year performance period, based on performance relative to the performance peer group, as follows:

3-Year Relative TSR Percentile Rank	# of PSUs Earned (% of Target Award)
90th Percentile or Greater	200%
60th Percentile	100%
30th Percentile	50%
Below 30th Percentile	0%

Payouts will be interpolated for any performance ranking that falls between the stated goals above.

PSU awards granted in 2022 will vest at 100% of target if a 3-year relative TSR rank of 50th percentile is achieved. This revision was made to better align Torex’s PSU design with prevalent market practice, following a review of long-term incentive designs at Torex’s peers. The change does not apply to awards granted prior to 2022.

For the 2021 PSU awards, performance is measured against a custom performance peer group of mining companies (which overlaps with but is not the same as Torex's peer group for benchmarking) with broadly similar business characteristics to Torex, as follows:

Alamos Gold Inc.	Golden Star Resources	OceanaGold Corp
B2Gold Corp	Hecla Mining	Pretium Resources Inc.
Centerra Gold Inc.	IAMGOLD Corp	SSR Mining Inc.
Coeur Mining Inc.	McEwen Mining Inc.	Yamana Gold Inc.
Dundee Precious Metals	New Gold Inc.	Eldorado Gold Corp
NovaGold Resources Inc.		

In January 2021, the Compensation Committee recommended, and the Board approved, regular cycle LTIP grants to certain of the NEOs, in the following amounts:

Executive	PSUs (60% Weight)	RSUs (40% Weight)
Mr. Stanford	—	—
Ms. Kuzenko	41,057	27,372
Mr. Snowden ⁽¹⁾	20,941	13,961
Mr. Loyer	6,707	4,471
Ms. Stephen	5,193	3,462

Note:

(1) For information on additional ESU awards granted to Andrew Snowden in connection with his hiring, see footnote 4 to the Summary Compensation Table on page 60.

The PSUs will be earned based on relative TSR performance for the three-year period ending December 31, 2023, and will cliff-vest, to the extent earned, shortly after the end of the performance period. TSR will be measured based on the 60-day volume-weighted average share price immediately preceding the first and last days of the performance period (i.e., January 1, 2021 and December 31, 2023), and will incorporate reinvestment of any dividends. The RSUs will cliff-vest three years after grant, unless there is an eligible event of termination (see ESU Plan on page 72).

The dollar values of these grants are summarized in the Summary Compensation Table that follows.

As noted above, PSU awards granted in 2019 vested early in 2022, following the completion of the three-year performance period on December 31, 2021. Torex's TSR performance for that period ranked at the 33rd percentile of the peers included in the 2019 PSU performance peer group. This translated to a payout factor of 56% of target (that is, for every 100 PSUs granted, 56 would ultimately be earned and vest).

A summary of the 2019 – 2021 PSUs granted versus earned is as follows:

Executive	PSUs Granted	PSUs Vested
Mr. Stanford	79,916	36,961
Ms. Kuzenko	46,476	25,794
Mr. Snowden	11,307	6,275
Mr. Loyer	10,947	5,400
Ms. Stephen	8,085	4,487

12.5 Summary and Other Compensation Tables

The following table provides information regarding compensation earned by the NEOs for the years ended December 31, 2019, 2020 and 2021.

Name and principal position	Year	Salary (\$)	Share-based awards ⁽¹⁾ (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)				Total compensation (\$)
					Annual incentive plans ⁽²⁾ (\$)	Long-term incentive plans	Pension value (\$)	All other compensation ⁽⁷⁾ (\$)	
Fred Stanford ⁽³⁾ Executive Chair (Former)	2021	780,045	Nil	Nil	Nil	Nil	N/A	176,850	956,895
	2020	1,209,483	1,745,948 ⁽⁵⁾	Nil	361,246	Nil	N/A	6,000	3,322,677
	2019	772,400	1,850,051 ⁽⁶⁾	Nil	772,400	Nil	N/A	14,380	3,409,231
Jody Kuzenko ⁽³⁾⁽⁶⁾ President and Chief Executive Officer	2021	802,700	1,176,979 ⁽⁴⁾	Nil	963,240	Nil	N/A	142,602 ⁽⁶⁾	3,085,521
	2020	570,396	2,007,860 ⁽⁵⁾	Nil	551,990	Nil	N/A	122,296 ⁽⁶⁾	3,252,542
	2019	392,700	671,818 ⁽⁶⁾	Nil	436,634	Nil	N/A	143,128 ⁽⁶⁾	1,644,280
Andrew Snowden ⁽⁶⁾ Chief Financial Officer	2021	450,000	1,332,260 ⁽⁴⁾	Nil	327,375	Nil	N/A	242,500 ⁽⁹⁾	2,352,135
Bernie Loyer ⁽¹⁰⁾ Vice President, Projects (Former)	2021	325,289	192,262 ⁽⁴⁾	Nil	Nil	Nil	N/A	311,825 ⁽¹¹⁾	829,375
	2020	434,050	232,698 ⁽⁵⁾	Nil	217,025	Nil	N/A	102,111 ⁽¹¹⁾	985,883
	2019	434,967	253,423 ⁽⁶⁾	Nil	217,484	Nil	N/A	31,358 ⁽¹¹⁾	937,232
Anne Stephen Vice President, HR and Organization Effectiveness (Former)	2021	341,500	148,866 ⁽⁴⁾	Nil	196,363	Nil	N/A	2,500	689,229
	2020	334,800	176,638 ⁽⁵⁾	Nil	184,140	Nil	N/A	2,500	698,078
	2019	328,200	187,167 ⁽⁶⁾	Nil	196,920	Nil	N/A	2,380	714,667

Notes:

- Figures in this column represent the value of RSUs and PSUs issued under the ESU Plan.
- Annual cash bonuses for 2021, 2020, and 2019 were paid in February 2022, February 2021, and February 2020, respectively.
- No compensation was paid to Mr. Stanford or Ms. Kuzenko in their capacity as a Director.
- LTIP compensation awards for 2021 of RSUs and PSUs under the ESU Plan for a three-year performance period commencing January 1, 2021 to December 31, 2023. The effective date of the grant was January 18, 2021. Please see "Compensation Discussion and Analysis - Long-Term Incentive Plan". Based on the fair value of \$17.20 per RSU or PSU on January 18, 2021, the date the awards were granted. The closing price of the Common Shares on the TSX on the business day immediately preceding the grant date was \$17.20 per Common Share. For financial reporting purposes, the fair value of each RSU is \$17.20, and the fair value for each PSU is \$22.53 which is estimated using a Monte Carlo valuation model, which requires the use of assumptions including expected share price volatility and risk-free interest rate.
On January 18, 2021, in connection with his hiring, Mr. Snowden was awarded 25,533 PSUs and 17,022 RSUs. The PSUs were granted in respect of the 2019 – 2021 and 2020 – 2022 performance periods, with the number of PSUs granted adjusted rateably to reflect the amount of time remaining in each of the two performance periods. The RSUs were granted to preserve the same 60%/40% allocation between PSUs and RSUs that is used in the regular LTIP program, for each of the two PSU award tranches. The closing price of the Common Shares on the TSX on the business day immediately preceding the grant date was \$17.20 per Common Share. For financial reporting purposes, the fair value of each RSU is \$17.20. The fair values for the PSUs for the 2019 – 2021 and 2020 – 2022 performance periods are \$16.98 and \$16.78 respectively, which are estimated using a Monte Carlo valuation model, which requires the use of assumptions including expected share price volatility and risk-free interest rate. In addition, on January 18, 2021, Mr. Snowden was awarded 20,941 PSUs and 13,961 RSUs in conjunction with the 2021 annual grant to the NEOs.
- LTIP compensation awards for 2020 of RSUs and PSUs under the ESU Plan for a three-year performance period commencing January 1, 2020 to December 31, 2022. The effective date of the grant was January 13, 2020. Please see "Compensation Discussion and Analysis - Long-Term Incentive Plan". Based on the fair value of \$20.43 per RSU or PSU on January 13, 2020, the date the awards were granted. The closing price of the Common Shares on the TSX on the business day immediately preceding the grant date was \$20.43 per Common

Share. For financial reporting purposes, the fair value of each RSU is \$20.43, and the fair value for each PSU is \$28.27 which is estimated using a Monte Carlo valuation model, which requires the use of assumptions including expected share price volatility and risk-free interest rate.

On June 11, 2020, in connection with her promotion to CEO, Ms. Kuzenko was awarded a combination of 35,692 PSUs and 23,794 RSUs. The PSUs were granted in respect of the 2018 – 2020, 2019 – 2021, and 2020 – 2022 performance periods, with the number of PSUs granted adjusted ratably to reflect the amount of time remaining in each of the three performance periods, as of Ms. Kuzenko's promotion date. The RSUs were granted to preserve the same 60%/40% allocation between PSUs and RSUs that is used in the regular LTIP program, for each of the three PSU award tranches. The closing price of the Common Shares on the TSX on the business day immediately preceding the grant date was \$17.88 per Common Share. For financial reporting purposes, the fair value of each RSU is \$17.88. The fair value for the PSUs for the 2018 – 2020, 2019 – 2021, and 2020 – 2022 performance periods are \$15.15, \$21.66, and \$22.62 respectively, which are estimated using a Monte Carlo valuation model, which requires the use of assumptions including expected share price volatility and risk-free interest rate.

- (6) LTIP compensation awards for 2019 of RSUs and PSUs under the ESU Plan for a three-year performance period commencing January 1, 2019 to December 31, 2021. The effective date of the grant was January 24, 2019. Please see "Compensation Discussion and Analysis - Long-Term Incentive Plan". Based on the fair value of \$13.89 per RSU or PSU on January 24, 2019, the date the awards were granted. The closing price of the Common Shares on the TSX on the business day immediately preceding the grant date was \$13.89 per Common Share. For financial reporting purposes, the fair value of each RSU is \$13.89, and the fair value for each PSU is \$20.84 which is estimated using a Monte Carlo valuation model, which requires the use of assumptions including expected share price volatility and risk-free interest rate.
- (7) All other compensation for Mr. Stanford includes accumulated vacation pay paid upon his retirement in 2021 and a car allowance of \$12,000 per year for 2019 and prorated for 2020. Each NEO is entitled to an annual health assessment; Ms. Kuzenko, Mr. Snowden, and Ms. Stephen had a health assessment in 2021, Ms. Kuzenko and Ms. Stephen had a health assessment in 2020, Mr. Stanford, Ms. Kuzenko and Ms. Stephen had a health assessment in 2019.
- (8) Ms. Kuzenko joined the Company as Chief Operating Officer on October 29, 2018 and was promoted to the role of President and Chief Executive Officer on June 17, 2020. All other compensation is the cost of travel to and accommodation in Toronto that are paid by the Company and reimbursement of taxes paid in respect of such taxable benefits.
- (9) Mr. Snowden received a signing bonus of \$240,000 upon joining the Company in January 2021.
- (10) Salary and annual incentive plan awards are paid in United States dollars and have been converted to Canadian dollars based on the exchange rate reported by the Bank of Canada, for December 31, 2021 of US\$1.00 = \$1.2779, December 31, 2020 of US\$1.00 = \$1.2781, and December 31, 2019 of US\$1.00 = 1.3066, as applicable.
- (11) Mr. Loyer was entitled to a housing allowance of US\$24,000 per year (prorated for 2021). Mr. Loyer participated in Torex's U.S. group benefit plans for international rotator employees and in addition the Company funds the cost of a long term disability plan. Mr. Loyer is also provided with tax equalization benefits. All other compensation for Mr. Loyer in 2021 also includes accumulated vacation pay paid upon his retirement in 2021.

Equity Plan Awards

(a) Outstanding Share-Based Awards and Option-Based Awards

The following table provides information regarding all incentive plan awards for each NEO outstanding as of December 31, 2021.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options ⁽¹⁾ (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or Payout value of share-based awards that have not vested ⁽²⁾ (\$)	Market or Payout value of vested share-based awards not paid out or distributed ⁽³⁾ (\$)
Fred Stanford Executive Chair (Former)	Nil	N/A	N/A	N/A	153,723	2,021,457	Nil
Jody Kuzenko President and Chief Executive Officer	Nil	N/A	N/A	N/A	209,330	2,752,690	Nil
Andrew Snowden Chief Financial Officer	Nil	N/A	N/A	N/A	77,457	1,018,560	Nil
Bernie Loyer Vice President, Projects (Former)	Nil	N/A	N/A	N/A	25,027	329,105	Nil
Anne Stephen Vice President, Human Resources and Organization Effectiveness	Nil	N/A	N/A	N/A	30,776	404,704	Nil

Notes:

- (1) 2016 was the final year that employees received stock options under the Stock Option Plan. No NEO held a stock option in 2021.
- (2) Assuming an adjustment factor of 1.0 for the PSUs.
- (3) The value of all undistributed share based awards reflected in this column has been calculated using the market value of the Common Shares on the TSX of \$13.15 per share at December 31, 2021.

(b) Value Vested or Earned During the Year

The following table provides information regarding the value on pay-out or vesting of incentive plan awards for each NEO for the year ended December 31, 2021.

Name	Option-based Awards – Value vested during the year (\$)	Share-based Awards – Value vested during the year ⁽¹⁾ (\$)	Non-Equity Incentive Plan Compensation – Value earned during the year (\$)
Fred Stanford Executive Chair (Former)	Nil	1,503,665	—
Jody Kuzenko Chief Executive Officer	Nil	597,459	963,240
Andrew Snowden Chief Financial Officer	Nil	Nil	327,375
Bernie Loyer, Vice President, Projects (Former)	Nil	216,973	—
Anne Stephen Vice President, Human Resources and Organization Effectiveness (Former)	Nil	174,522	196,363

Note:

(1) Based on the number of RSUs and PSUs vested during the year, multiplied by the closing price of the Common Shares on the TSX on the date prior to vesting.

12.6 Termination and Change of Control Benefits

The Company entered into employment agreements with each of the NEOs, which agreements include provisions relating to: voluntary termination; death, retirement or permanent disability; termination of employment for cause; termination of employment without cause; and a Triggering Event (as defined below) following a Change of Control (as defined below) (commonly referred to as a double trigger). The following sets out the termination provisions in the contracts of Ms. Kuzenko and Mr. Snowden who were employed by the Company on December 31, 2021. Ms. Stephen was employed by the Company on December 31, 2021 but left the Company on March 31, 2022 and she did not receive any payments under her employment agreement in connection with her departure.

(a) Voluntary Termination by an NEO

An NEO may terminate their employment with the Company with 30 days written notice and shall receive payment of any unpaid base salary, and unused vacation entitlements, owing up to the date of termination. See also “Section 15 – Compensation Securities Plans” regarding PSUs and RSUs following a voluntary termination of employment.

(b) Termination by the Company without Cause or by the NEO for Good Reason

The Company may terminate the employment of Ms. Kuzenko or Mr. Snowden without cause and each of Ms. Kuzenko and Mr. Snowden may also terminate their employment after giving notice to the Company of the occurrence of any of the following events (“**Good Reason**”) for which their consent was not obtained unless the Company corrects the circumstances within 30 days of receiving the notice: (a) a change in their position that materially reduces their duties, level of responsibility or level to which they report; (b) any reduction in their base salary; or (c) any material reduction in benefits or any other form of remuneration

other than as a result of the Company or the individual failing to meet performance targets and in certain other circumstances. In each case, Company will provide the NEO with:

- unpaid base salary owing up to the date of termination and the period of notice required by the Employment Standards Act, 2000 (“**ESA**”);
- unused vacation entitlements up to the date of termination and the period of notice required by the ESA;
- conditional upon signing a full and final release (a “**Release**”) in favour of the Company:
 - continuance until the earlier of (i) 24 months in the case of Ms. Kuzenko and 18 months in the case of Mr. Snowden or (ii) when they secure another job (including employment, contract and/or other consulting work)
 - base salary in effect at the date of termination;
 - benefits coverage (excluding life insurance and disability coverage);
 - an amount equal to two times in the case of Ms. Kuzenko, and one and a half times in the case of Mr. Snowden, the average of the cash bonuses paid to the NEO for the two most recently completed years, provided that if termination occurs prior to the completion of two years of employment in the NEO’s position, the amount will be two times in the case of Ms. Kuzenko, and one and a half times in the case of Mr. Snowden, and provided further, that if termination occurs prior to the completion of the first year, the amount will be two times NEO’s current year’s targeted cash bonus in the case of Ms. Kuzenko, and one and a half times in the case of Mr. Snowden;
 - PSUs and RSUs awarded to the NEO will be governed by the ESU Plan.
- if a Release is not signed, the NEO will receive payment lieu of notice, and severance pay (if applicable), in accordance with minimum requirements under the ESA (collectively, “**Statutory Termination Payments**”) and continuation of all benefits coverage for the period of notice required by the ESA with the NEO remaining eligible to collect disability benefits for such longer period as determined by the Company’s insurer in accordance with the insurance policy.

Neither NEO has unvested options or RSUs under the Stock Option Plan and RSU Plan. See also “Section 15 – Compensation Securities Plans” regarding PSUs and RSUs following termination of employment without cause or circumstances constituting constructive termination.

(c) Termination by the Company for Death/ Disability/Retirement

The employment of Ms. Kuzenko and Mr. Snowden would automatically terminate, without notice or severance, upon the death the NEO.

The employment of Ms. Kuzenko and Mr. Snowden will also automatically terminate due to permanent disability. In such circumstances, the NEO would receive unpaid salary and unused vacation entitlements through to the date of termination and period of notice under the ESA, Statutory Termination Payments, and continuation of benefits for the period of notice under the ESA and disability benefits as determined by the Company’s insurer in accordance with the Company’s insurance policy.

Upon retirement, NEOs are not entitled to notice or pay in lieu of notice. The Company does not have a retirement policy.

See also “Section 15 – Compensation Securities Plans” regarding PSUs and RSUs following termination of employment for death, disability or retirement.

(d) Termination for Cause

The Company may terminate a NEO’s employment for cause without payment in lieu of notice or severance. In the event of termination for cause, a NEO will receive payment of unpaid salary and unused vacation entitlements up to the date of termination.

In accordance with the ESU Plan, all outstanding PSUs and RSUs held by the NEO will be forfeited.

(e) Triggering Event following Change of Control

The summary below outlines the compensation payable to NEOs in the event of:

- termination of employment by the Company without cause, or, the resignation by the NEO after giving notice to the Company of any of the following for which their consent was not obtained unless, the Company corrects the circumstances within 30 days of receiving the notice (a) a material reduction of the NEO’s duties, level of responsibility or reporting level, (b) any reduction of base salary, or (c) any material reduction of benefits or other remuneration (other than discretionary benefits or remuneration such as bonuses, equity compensation grants) (each, including termination of employment without cause, a “**Triggering Event**”); and
- a Triggering Event occurring within a specified period (the “Specified Period”, 12 months for Ms. Kuzenko and Mr. Snowden of the change of control of the Company (a “**Change of Control**”).

A Change of Control is deemed to occur upon:

- a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Company and another corporation or by any person and its joint actors and affiliates (collectively, a “**Group**”), as such terms are used or defined in the *Securities Act* (Ontario), and whether directly or indirectly, resulting in the acquisition of the Common Shares which, when added to all other Common Shares at the time held by such corporation or person and its joint actors and affiliates, totals for the first time 40% of the outstanding Common Shares; or
- any person or Group acting jointly or in concert succeeding in having a sufficient number of its nominees elected to the Board such that such nominees, when added to any existing director remaining on the Board after such election who can be considered to be a nominee of such person or Group, will constitute the majority of the Board; or
- the Board adopts a resolution to the effect that a Change of Control has occurred or is imminent.

If a Triggering Event occurs within the Specified Period (see above) following a Change of Control (being a **double trigger**, a Change of Control **and** a Triggering Event):

- Ms. Kuzenko and Mr. Snowden would be entitled to receive the respective amounts payable to them in a lump sum, and benefits, as set out under “Termination by the Company without cause or by the NEO for Good Reason” above;
- all options that have been granted to Ms. Kuzenko and Mr. Snowden and all RSUs granted under the RSU Plan, prior to the Change of Control shall automatically vest and if not yet exercised, shall continue to be exercisable by the respective NEO in the same manner and on the same terms that existed prior to the actual notice of termination;
- under the ESU Plan, any surviving, successor or acquiring company (“**AcquireCo**”) shall assume any outstanding Share Units or substitute similar share units for the outstanding Share Units. If the ESU Plan remains or is assumed by AcquireCo:
 - all of the Share Units and related dividend share units will vest immediately prior to the NEO’s termination date; and
 - the PSUs will vest using an adjustment factor determined by the Board, based on performance to the end of the year prior to the holder’s termination date, however, if the performance period for the vested PSUs commenced less than one year prior to the NEO’s termination date, the PSUs will be redeemed using an adjustment factor of 1.0.

If AcquireCo does not assume the outstanding Share Units under the ESU Plan or substitute similar share units for the outstanding Share Units, or if the Board otherwise determines in its sole discretion: (a) the ESU Plan will be terminated effective immediately prior to the Change of Control (the Company shall give written notice to all participants of the ESU Plan advising of such termination); (b) all RSUs will vest and shall be redeemed as of the termination date of the ESU Plan; and (c) the Board will determine the number of PSUs that will vest using an adjustment factor determined in the discretion of the Board and all vested PSUs will be redeemed as of the termination date of the ESU Plan.

The following are the estimated incremental payments, payables and benefits, to an NEO assuming termination without cause by the Company, or by the NEO for Good Reason, as applicable, on December 31, 2021:

Name	Aggregate base salary (\$)	Aggregate bonus (\$)	RSUs/ PSUs ⁽¹⁾⁽²⁾ (\$)	Accrued vacation entitlements (\$)	Total (\$)
Fred Stanford ⁽³⁾	N/A	N/A	N/A	N/A	N/A
Jody Kuzenko	1,605,400	988,624	Nil	83,349	2,677,373
Andrew Snowden	675,000	405,000	Nil	19,041	1,099,041
Bernie Loyer ⁽³⁾	N/A	N/A	N/A	N/A	N/A
Anne Stephen ⁽³⁾	N/A	N/A	N/A	N/A	N/A

The following are the estimated incremental payments, payables and benefits, assuming a Triggering Event took place on December 31, 2021 which was within the Specified Period of a Change of Control:

Name	Aggregate base salary (\$)	Aggregate bonus (\$)	RSUs/ PSUs ^{(1)/(2)} (\$)	Accrued vacation entitlements (\$)	Total (\$)
Fred Stanford ⁽³⁾	N/A	N/A	N/A	N/A	N/A
Jody Kuzenko	1,605,400	988,624	2,752,690	83,349	5,430,063
Andrew Snowden	675,000	405,000	1,018,560	19,041	2,117,601
Bernie Loyer ⁽³⁾	N/A	N/A	N/A	N/A	N/A
Anne Stephen ⁽³⁾	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Under a Termination without cause, an NEO retains the pro-rata number of RSUs and PSUs based on the number of completed months in the grant term and performance period respectively, applicable to any outstanding grants and forfeits the remaining number of units.
- (2) Based on the closing price of the Common Shares on the TSX on December 31, 2021 of \$13.15. Assuming an adjustment factor of 1.0 for the PSUs.
- (3) Mr. Stanford and Mr. Loyer retired and left the Company during 2021 and Ms. Stephen retired on March 31, 2022.

12.7 Director Compensation

(a) Approach to Director Compensation

The purpose of the Company's compensation program for non-employee Directors is to recruit and retain qualified individuals to oversee the Company's business on behalf of shareholders and make meaningful contributions to its success.

(b) Elements of the Director Pay Program

Compensation for non-executive Directors is paid in Canadian dollars and has the following components:

- An annual cash retainer for Board service (the Non-Executive Board Chair and the Lead Director receive additional retainers if applicable)
- An additional retainer for chairing a Board committee
- An annual equity retainer, delivered as a combination of stock options and RSUs (Torex will cease to grant stock options to its directors in 2022)
- A meeting fee for each Board and committee meeting attended
- Other compensation as noted in the table below

The table below summarizes the dollar value for 2021 of these pay elements:

Compensation Element	Value
Annual Cash Retainer (not applicable for Executive Chair)	\$75,000
Executive Chair (if applicable) Annual Cash Retainer	Nil
Non-Executive Board Chair (if applicable) Additional Annual Cash Retainer	\$100,000
Lead Director (if applicable) Additional Annual Cash Retainer	\$45,000
Committee Chair Retainers:	
• Audit Committee	\$20,000
• Compensation Committee	\$15,000
• Corporate Governance and Nominating Committee	\$15,000
• Safety and Corporate Social Responsibility Committee	\$15,000
• Technical Committee	\$15,000
Meeting Fees	\$1,000/meeting
Equity-Linked Compensation (stock options and RSUs)	\$150,000
Other Compensation ⁽¹⁾	\$2,500 (approx.)

Note:

(1) "Other Compensation" refers to a health assessment that each director is entitled to receive.

In 2021, each non-executive Director could elect to allocate equity-linked compensation across stock options and RSUs, to a maximum \$100,000 by grant-date value that may be allocated to stock options. Equity awards to Directors are made under the Company's Stock Option Plan and RSU plan. Please see "Stock Option Plan" on page 77 and "RSU Plan" on page 76 for more details on the respective plans.

Equity awards made to non-executive Directors vest on the day they are granted.

Stock options granted in 2021 will be the last option awards made to directors under the Company's Stock Option Plan. Torex will award equity in the form of RSUs only to its directors effective 2022.

Torex also reimburses Directors for their travel and other expenses incurred for their attendance at Board and committee meetings.

Directors who are also employees of the Company (i.e., the Executive Chair, if any, and the CEO) are not compensated for their service as Directors.

(c) Director Summary Compensation Table

The following table provides information regarding compensation earned by each non-executive Director for the year ended December 31, 2021.

Name (Non-Executive Directors) ⁽¹⁾	Fees Earned (\$)	Share- based awards ⁽²⁾ (\$)	Option- based incentive plan awards ⁽²⁾ (\$)	Non-equity compensation (\$)	Pension value (\$)	All other compensation ⁽³⁾ (\$)	Total (\$)
Andrew Adams	58,500	150,000	—	Nil	NA	2,500	211,000
Robin Bienenstock	69,000	150,000	—	Nil	NA	—	219,000
Frank Davis	118,250	150,000	—	Nil	NA	—	268,250
David Fennell	59,500	50,000	100,000	Nil	NA	—	209,500
Tony Giardini	58,022	76,440	—	Nil	NA	2,500	136,962
Jennifer Hooper	53,495	76,440	—	Nil	NA	2,500	132,435
Rick Howes	187,302	150,000	—	Nil	NA	—	337,302
Jay Kellerman	51,495	76,440	—	Nil	NA	—	127,935
Rosie Moore	46,912	76,440	—	Nil	NA	—	123,352
Michael Murphy	44,500	150,000	—	Nil	NA	—	194,500
Roy Slack	112,000	50,000	100,000	Nil	NA	—	262,000
Elizabeth Wademan	110,582	120,000	30,000	Nil	NA	2,500	263,082

Notes:

- (1) No compensation was paid to Mr. Stanford or Ms. Kuzenko in their capacity as a Director of the Company. For a summary of the compensation paid to Mr. Stanford or Ms. Kuzenko in their capacity as an executive officer of the Company, see "Summary Compensation Table", on page 60. Mr. Adams, Ms. Bienenstock, Mr. Fennell, and Mr. Murphy served until June 29, 2021, when Mr. Giardini, Ms. Hooper, Mr. Kellerman and Ms. Moore were elected.
- (2) The fair value of the options was estimated using a Black Scholes valuation model and the RSUs are valued based on the market price at the time of the grant. Based on the fair value of \$17.20 per RSU on the date of grant for awards to Directors, other than Mr. Giardini, Ms. Hooper, Mr. Kellerman and Ms. Moore. The closing price of the Common Shares on the TSX on the business day immediately preceding January 18, 2021, the grant date, was \$17.20 per Common Share. Mr. Giardini, Ms. Hooper, Mr. Kellerman and Ms. Moore were elected to the Board on June 29, 2021, and received equity compensation pro-rated for their service in 2021. The RSUs awarded are based on the fair value of \$14.20 per RSU on the date of grant for awards to the new Directors.
- (3) "Other Compensation" refers to a health assessment that each Director is entitled to receive.

(d) Director Equity Allocations

Name (Non-Executive Directors)	Total Equity Value (\$)	RSU Allocation (\$)	RSUs ⁽¹⁾ (#)	Option Allocation (\$)	Options ⁽²⁾ (#)
Andrew Adams	150,000	150,000	8,720	—	—
Robin Bienenstock	150,000	150,000	8,720	—	—
Frank Davis	150,000	150,000	8,720	—	—
David Fennell	150,000	50,000	2,906	100,000	14,204
Tony Giardini	76,440	76,440	5,383	—	—
Jennifer Hooper	76,440	76,440	5,383	—	—
Rick Howes	150,000	150,000	8,720	—	—
Jay Kellerman	76,440	76,440	5,383	—	—
Rosie Moore	76,440	76,440	5,383	—	—
Michael Murphy	150,000	150,000	8,720	—	—
Roy Slack	150,000	50,000	2,906	100,000	14,204
Elizabeth Wademan	150,000	120,000	6,976	30,000	4,261

Notes:

- (1) Based on the fair value of \$17.20 per RSU on the date of grant for awards to Directors, other than Mr. Giardini, Ms. Hooper, Mr. Kellerman and Ms. Moore. The closing price of the Common Shares on the TSX on the business day immediately preceding January 18, 2021, the grant date, was \$17.20 per Common Share. Mr. Giardini, Ms. Hooper, Mr. Kellerman and Ms. Moore were elected to the Board on June 29, 2021, and received equity compensation pro-rated for their service in 2021. The RSUs awarded are based on the fair value of \$14.20 per RSU on the date of grant for awards to the new Directors.
- (2) Based on the fair value of \$7.04 per option which is estimated using a Black Scholes model. Assumptions included a volatility of 55% and a simplified expected life of 3.75 years. The closing price of the Common Shares on the TSX on the business day immediately preceding January 18, 2021, the grant date, was \$17.20 per Common Share.

(e) **Outstanding Option-Based and Share-Based Awards and Value Vested During the Year**

The following table shows all option-based and share-based awards outstanding as at December 31, 2021 for the non-executive Directors. The table also provides the value of share-based awards vested in the year ended December 31, 2021.

Name	Option-based Awards ⁽¹⁾				Share-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ⁽³⁾ (\$)	Market or payout value of vested share-based awards not paid out or distributed ⁽⁴⁾ (\$)	Value of RSUs vested during the year ⁽⁵⁾ (\$)
Andrew Adams	20,223	12.46	29-Jun-22	13,954	Nil	Nil	Nil	150,000
Robin Bienenstock	3,501	18.04	29-Jun-22	Nil	Nil	Nil	Nil	150,000
Frank Davis	Nil	N/A	N/A	Nil	Nil	Nil	283,685	150,000
David Fennell	14,204	17.20	29-Jun-22	Nil	Nil	Nil	Nil	50,000
	7,756	27.22	11-Jan-22	Nil				
Tony Giardini	Nil	N/A	N/A	Nil	Nil	Nil	Nil	76,440
Jennifer Hooper	Nil	N/A	N/A	Nil	Nil	Nil	70,786	76,440
Rick Howes	Nil	N/A	N/A	Nil	Nil	Nil	173,988	150,000
Jay Kellerman	Nil	N/A	N/A	Nil	Nil	Nil	70,786	76,440
Rosie Moore	Nil	N/A	N/A	Nil	Nil	Nil	70,786	76,440
Michael Murphy	20,223	12.46	29-Jun-22	13,954	Nil	Nil	Nil	150,000
	7,756	27.22	11-Jan-22	0				
Roy Slack	14,204	17.20	18-Jan-26	Nil	Nil	Nil	38,214	50,000
	10,503	18.04	17-Jun-25	Nil				
Elizabeth Wademan	15,167	12.46	22-Jan-23	10,465	Nil	Nil	330,223	120,000
	4,176	13.89	24-Jan-24	Nil				
	4,261	17.20	18-Jan-26	Nil				
	3,234	20.43	13-Jan-25	Nil				
	2,585	27.22	11-Jan-22	Nil				

Notes:

- (1) "Value of options vested during the year" is calculated by multiplying the total number of options vested during the year by the difference between the market price of the Common Shares on the TSX on the date of vesting and the exercise price of such options. As the stock options vest on the date of grant, and the exercise price is the closing price of the Common Shares on the TSX on the business day immediately preceding the grant date, the value of the stock options is 'nil'. Using a Black Scholes model, the fair value per option granted on January 18, 2021, is \$7.04. Assumptions included an assumed volatility of 55% and a simplified expected life of 3.75 years. May differ from accounting valuation for financial statement purposes. The closing price of the Common Shares on the TSX on the business day immediately preceding January 18, 2021, the grant date, was \$17.20 per Common Share.
Tony Giardini, Jennifer Hooper, Jay Kellerman and Rosie Moore were elected to the Board on June 29, 2021, and received equity compensation pro-rated for their service in 2021.
- (2) Based on the difference in value between the exercise price of the options and the closing price of the Common Shares on the TSX on December 31, 2021 of \$13.15.
- (3) All RSUs granted to non-executive directors have vested.
- (4) The value of all undistributed share based awards reflected in this column has been calculated using the market value of the Common Shares on the TSX of \$13.15 per share at December 31, 2021.
- (5) "Value of RSUs vested during the year" is calculated by multiplying the total number of RSUs vested during the year by the market price of the Common Shares on the TSX on the business day immediately preceding the vesting date.

See also "Section 10 – Information about Director Nominees – Director Profiles" for additional information on Common Share and RSU holdings.

13. SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides details of compensation plans under which equity securities of the Company are authorized for issuance as of December 31, 2021. A description of the significant terms of each of the equity compensation plans of the Company follows the table below:

Plan Category	Number of securities to be issued upon exercise of outstanding options and rights ⁽¹⁾	Weighted-average price of outstanding options and rights ⁽²⁾ (\$)	Number of securities remaining available for future issuance under equity compensation plans ^{(3) (4)}
Equity compensation plans approved by securityholders	1,036,582	\$17.42 for options N/A for RSUs and PSUs	4,622,864
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
Total	1,036,582		4,622,864

Notes:

- (1) Represents the number of Common Shares reserved for issuance upon redemption of 476,985 outstanding PSUs and 317,981 outstanding RSUs under the ESU Plan, 103,481 outstanding RSUs under the RSU Plan and exercise of 138,135 outstanding options under the Stock Option Plan. Assumes an adjustment factor of 1.0 for PSUs issued under the ESU Plan.
- (2) The weighted average exercise price for all outstanding options and rights is the weighted average exercise price of the Options outstanding under the Stock Option Plan. There is no exercise price associated with the PSUs and RSUs under the ESU Plan or the RSUs under the RSU Plan.
- (3) Based on the maximum aggregate number of Common Shares that were available for issuance under the ESU Plan, Stock Option Plan and the RSU Plan, collectively, as at December 31, 2021 of 5,659,446 (which maximum reserve is based on 6.6% of the number of issued and outstanding Common Shares as at December 31, 2021 of 85,749,183). In 2022, the Company amended the ESU Plan, Stock Option Plan and the RSU Plan such that the maximum aggregate number of Common Shares that are now available for issuance under the ESU Plan, Stock Option Plan and the RSU Plan is now 5.7% of the number of Common Shares outstanding. See also "Section 15 – Compensation Securities Plans."
- (4) Represents approximately 5.4% of the issued and outstanding Common Shares as at December 31, 2021, on a non-diluted basis.

14. BURN RATE

Plan Category	2021	2020	2019
Stock Option Plan Grants	32,669	17,238	37,584
RSU Plan Grants	77,920	65,030	70,193
ESU Plan Grants ⁽¹⁾			
• RSUs	113,031	140,487	161,943
• PSUs ⁽¹⁾	169,547	210,734	242,914
Total Securities Granted	393,167	433,489	512,634
Basic Weighted Average Shares Outstanding	85,714,843	85,505,801	85,262,388
Burn Rate – Stock Option Plan Grants	0.04%	0.02%	0.04%
Burn Rate – RSU Plan Grants	0.09%	0.08%	0.08%
Burn Rate – ESU Plan Grants	0.33%	0.41%	0.47%
Total Burn Rate	0.46%	0.51%	0.60%

Note:

(1) The adjustment factor is up to 2.0 on the PSUs. The burn rate is based on an adjustment factor of 1.0.

15. COMPENSATION SECURITIES PLANS

At the Meeting, shareholders will be asked to approve all unallocated share units under the ESU Plan and the RSU Plan. The annual award of these long-term incentives is intended to align the interests of Directors, executives and other employees with the interests of shareholders. The limit on the number of Common Shares that may be issued under all compensation securities plans, in aggregate, has been reduced, from 6.6% of shares outstanding, to 5.7%. In addition, the Company's burn rate (the number of stock option and share unit awards granted annually over common shares outstanding) has averaged 0.52% over the three years through 2021. The Compensation Committee believes this to be a conservative rate of share usage by peer standards.

The Company is not seeking approval of unallocated stock options under the Stock Option Plan. The Board decided 2021 would be the final year that stock options will be granted under the Stock Option Plan. There are currently 89,473 stock options outstanding. The Stock Option Plan will terminate when the last of these stock options are exercised or expire.

15.1 Employee Share Unit Plan

In 2016, shareholders approved the ESU Plan pursuant to which the Board may, from time to time, determine those eligible employees and officers of the Company (an “**Eligible Person**”) who will receive a grant of restricted share units (“**Restricted Units**”) and/or performance share units (“**PSUs**”, together with Restricted Units, are collectively referred to as “**Share Units**”). The purpose of the ESU Plan is to provide a meaningful incentive to achieving the Company's annual operational objectives, and other short term needs, through decisions that are consistent with creating long term value to support the Company's share price.

The ESU Plan is administered by the Compensation Committee (provided the Board has delegated the administration to such committee), which has the sole and absolute discretion to: recommend to the Board the Eligible Persons to whom grants of Share Units should be made and the number of Share Units to be granted; interpret and administer the ESU Plan; recommend to the Board conditions to the vesting of Share Units; set, waive, and amend performance targets; recommend to the Board amending the list of performance peers as may be appropriate; and make any other determinations that the Compensation Committee deems necessary or desirable for the administration of the ESU Plan. Any decision of the

Compensation Committee with respect to the administration and interpretation of the ESU Plan will be conclusive and binding on the ESU Participants (as defined below).

The Board may award Share Units to any Eligible Person (an “**ESU Participant**”) in its sole discretion. Non-executive Directors of the Company are not eligible to participate in the ESU Plan. Each Share Unit granted to an ESU Participant under the ESU Plan will be credited to the ESU Participant’s share unit account. Rights respecting Share Units are not transferable or assignable other than by will or the laws of descent and distribution. Each Share Unit will vest on the date or dates designated in the applicable grant agreement or such earlier date as is provided for in the ESU Plan or is determined by the Board, conditional on the satisfaction of any additional vesting conditions established by the Board.

Pursuant to the terms of the ESU Plan (as amended in 2022): (a) the number of Common Shares reserved for issuance pursuant to Share Units and all other Share Compensation Arrangements, at any time, may not exceed 5.7% of the total number of Common Shares then outstanding; (b) the aggregate number of Common Shares issuable to insiders pursuant to Share Units and all other Share Compensation Arrangements, at any time, may not exceed 5.7% of the total number of Common Shares then outstanding; and (c) the aggregate number of Common Shares issued to insiders pursuant to Share Units and all other Share Compensation Arrangements, in respect of a one year period, may not exceed 5.7% of the total number of Common Shares then outstanding. “**Share Compensation Arrangements**” for these purposes means the ESU Plan and any other security-based compensation arrangements implemented by the Company including stock option plans, employee stock purchase plans, share distribution plans, stock appreciation right plans, restricted share plans or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, pre-existing or otherwise. The ESU Plan was amended in 2022 by the Directors (with shareholder approval not being required) to change the number of Common Shares reserved for issuance under the ESU Plan all Share Compensation Arrangements, issuable to insiders and issuable to insiders in respect of a one year period, from 6.6% to 5.7% as disclosed above.

The ESU Plan does not provide for a maximum number of securities which may be issued to an individual pursuant to the ESU Plan and all other Share Compensation Arrangements (expressed as a percentage or otherwise).

Based on the 85,842,014 Common Shares outstanding as at May 11, 2022, the Company may reserve up to 4,892,994 Common Shares for issuance pursuant to its ESU Plan and all other Share Compensation Arrangements.

“**Market Value**” for these purposes means the closing trading price of the Common Shares on the TSX, or such other stock exchange on which the Common Shares are then listed, on the trading day immediately preceding the date as at which Market Value is determined. ESU Participants may elect at any time to redeem vested Share Units on any date or dates after the date the Share Units become vested and on or before the expiry date, subject to extension in the case of a blackout period (unless the ESU Participant elects to redeem the Share Units on the condition that they receive the Share Unit Amount (as defined below)). An ESU Participant who does not elect an early redemption date as specified under the ESU Plan will have vested Share Units redeemed on their expiry date. The expiry date for Share Units will be determined by the Board for each applicable grant.

The Company will redeem each Share Unit elected to be redeemed by an ESU Participant on the applicable redemption date by:

- issuing to the ESU Participant the number of Common Shares equal to one Common Share for each whole vested Share Unit elected to be redeemed and delivering either (i) such number of Common Shares less the number of Common Shares with a Market Value equal to the amount of all income taxes and statutory amounts required to be withheld (“**Applicable Withholdings**”), or (ii) subject to the consent of the Company, such number of Common Shares, provided the ESU Participant has provided for payment to the Company of all or a portion of the amount equal to the Applicable Withholdings;
- at the election of the ESU Participant and subject to the consent of the Company, paying the ESU Participant an amount in cash (the “**Share Unit Amount**”) equal to: (i) the number of vested Share Units elected to be redeemed multiplied by (ii) the Market Value minus (iii) Applicable Withholdings; or
- at the election of the ESU Participant, a combination of Common Shares and cash, subject to the consent of the Company.

No financial assistance will be provided by the Company to any ESU Participant in connection with any award of Share Units.

Each Restricted Unit will vest on the date or dates designated in the applicable grant agreement or such earlier date as is provided for in the ESU Plan or is determined by the Board, conditional on the satisfaction of any additional vesting conditions established by the Board. Each PSU will vest on the date or dates designated in the applicable grant agreement or such earlier date as is provided in the ESU Plan or is determined by the Board, conditional on the satisfaction of any additional vesting conditions established by the Board. The number of PSUs that will vest on a vesting date will be the number of PSUs and Dividend PSUs scheduled to vest on such vesting date multiplied by the applicable adjustment factor. The adjustment factor will be determined based on the Company’s market performance, as described in the applicable grant agreement.

Under the ESU Plan, Common Shares reserved for issuance pursuant to Share Units that are surrendered, terminated or cancelled without having been redeemed will again be available for issuance under the ESU Plan (and other Share Compensation Arrangements) and Common Shares underlying Share Units that are redeemed for cash will not again be available for issuance under the ESU Plan.

If an ESU Participant’s employment is terminated by the Company for cause, the ESU Participant will forfeit all rights, title and interest with respect to Share Units and the related Dividend Share Units, including Vested Share Units.

If an ESU Participant’s employment is terminated by the Company without cause or the ESU Participant resigns, a *pro rata* portion of the ESU Participant’s unvested PSUs and Dividend PSUs will vest immediately prior to the ESU Participant’s termination date, based on the number of complete months from the first day of the performance period to the applicable termination date divided by the number of months in the performance period. However, the vested PSUs will not be redeemed until the end of the performance period based on the adjustment factor applicable to the performance period. Similarly, if the ESU Participant’s employment is terminated by the Company without cause, a *pro rata* portion of the ESU Participant’s unvested Restricted Units and Dividend Restricted Units will vest immediately prior to the ESU Participant’s termination date, based on the number of months from the first day of the grant term to the

termination date divided by the number of months in the grant term. The ESU Participant's vested Restricted Units will be redeemed at the end of the grant term.

If an ESU Participant's employment is terminated by the disability of the ESU Participant, a *pro rata* portion of the ESU Participant's PSUs and Restricted Units and related Dividend PSUs and Dividend Restricted Units, as applicable, will vest immediately prior to the date of such event. For PSUs, the *pro rata* portion will be based on the number of complete months from the first day of the performance period to the date of the ESU Participant's disability divided by the number of months in the performance period. The ESU Participant's vested PSUs will be redeemed at the end of the performance period based on the adjustment factor applicable to the performance period. For Restricted Units, the *pro rata* portion will be based on the number of complete months from the first day of the grant term to the date of the ESU Participant's disability divided by the number of months in the grant term. The ESU Participant's vested Restricted Units will be redeemed at the end of the grant term.

If an ESU Participant's employment is terminated by the death of the ESU Participant, a *pro rata* portion of the ESU Participant's PSUs and Restricted Units and related Dividend PSUs and Dividend Restricted Units, as applicable, will vest immediately prior to the date of death. For PSUs, the *pro rata* portion will be based on the number of complete months from the first day of the performance period to the date of the ESU Participant's death divided by the number of months in the performance period. The ESU Participant's vested PSUs will be redeemed as soon as practical following the date of the ESU Participant's death using the adjustment factor determined by the Board, which will be based on performance to the end of the year prior to the ESU Participant's date of death, provided that if the performance period for the vested PSUs commenced less than one year prior to the ESU Participant's date of death, the PSUs will be redeemed using an adjustment factor of 1.0. For Restricted Units, the *pro rata* portion will be based on the number of complete months from the first day of the grant term to the date of the ESU Participant's death divided by the number of months in the grant term. The ESU Participant's vested Restricted Units will be redeemed as soon as practical following the date of the ESU Participant's death.

If the employment of an ESU Participant is terminated by the Company without cause or if the ESU Participant resigns in circumstances constituting constructive termination, in each case, within 24 months following a Change of Control (as such term is defined under the ESU Plan) which includes, among other things the acquisition of 40% or more of the Common Shares, or the election of a number of nominees to the Board that constitute a majority of the Board, all of the ESU Participant's Share Units and related Dividend Share Units as applicable will vest immediately prior to the ESU Participant's termination date. The PSUs will vest using an adjustment factor determined by the Board, which will be based on performance to the end of the year prior to the ESU Participant's termination date, provided that if the performance period for the vested PSUs commenced less than one year prior to the ESU Participant's termination date, the PSUs will be redeemed using an adjustment factor of 1.0.

The Board may amend, suspend or terminate the ESU Plan, or any portion thereof, at any time, subject to those provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSX), if any, that require the approval of shareholders or any governmental or regulatory body. The Board may make a number of amendments to the ESU Plan without seeking shareholder approval, including: (i) any amendment to the vesting provisions of the ESU Plan or any grant agreement (provided that any amendment to the vesting provisions that would extend the term to the benefit of an insider would not be permitted without shareholder approval); (ii) amendments to comply with applicable law or the requirements of the TSX or any other regulatory body having authority over the Company, the ESU Plan or the shareholders; (iii) any amendment to permit conditional redemption; (iv) amendments of a "housekeeping" nature; (v) amendments respecting administration of the ESU Plan; and (vi) any other amendments not requiring shareholder approval, including amendments in connection with a Change of Control to assist

ESU Participants to participate in such event. However, shareholder approval (by a majority of votes cast) will be required for: (i) increases to the number or percentage of Common Shares issuable under the ESU Plan; (ii) any amendment expanding the categories of Eligible Person which would have the potential of broadening or increasing insider participation, including without limitation the participation of non-employee directors; (iii) the addition of any other provision which results in ESU Participants receiving Common Shares while no cash consideration is received by the Company; (iv) amendments which would permit awards to be transferred or assigned other than for normal estate planning purposes; (v) amendments to the amending provision within the ESU Plan; and (vi) amendments required to be approved by shareholders under applicable law. The Board may amend or modify any outstanding Share Unit in any manner to the extent that the Board would have had the authority to initially grant the award as so modified or amended. No new awards of Share Units may be made under the ESU Plan after April 29, 2026, being the tenth anniversary of the ESU Plan's effective date.

As at May 11, 2022, there were 302,477 Restricted Units and 453,726 PSUs outstanding under the ESU Plan. Based on the 85,842,014 Common Shares outstanding as at May 11, 2022, this represents 0.35% and 0.53%, respectively, and an aggregate of 0.88%, of the issued and outstanding Common Shares.

15.2 Restricted Share Plan

In connection with the acquisition of the Morelos Property in November 2009, and the Board's discussions with prospective new members for the Board and management, the Board decided that it was desirable to have a broader range of incentive plans (including the RSU Plan) in place to attract, retain and motivate Directors, key employees and consultants of the Company.

The RSU Plan provides that RSUs may be granted by the Board or a committee of the Board, which administers the RSU Plan, to Directors, key employees and consultants of the Company as a discretionary payment in consideration of past or future services to the Company.

The number of RSUs awarded will be credited to the participant's account effective on the grant date of the RSUs. An RSU represents a right to receive one Common Share issued from treasury on the later of: (a) the date which is the first day after a restricted period as determined by the Compensation Committee ("**Restricted Period**"); and (b) a date determined by an eligible participant that is after the Restricted Period but is no later than the participant's retirement date or termination date (a "**Deferred Payment Date**"). Vesting for RSUs occurs on the date which is the first day after a Restricted Period. The Compensation Committee may also make the vesting of RSUs subject to performance conditions to be achieved by the Company, the participant or a class of participants. RSUs are not assignable.

Pursuant to the RSU Plan (as amended in 2022): (a) the maximum number of Common Shares reserved for issuance pursuant to RSUs and all other Share Compensation Arrangements is 5.7% of the total number of Common Shares then outstanding; (b) the aggregate number of Common Shares issuable to insiders pursuant to RSUs and all other Share Compensation Arrangements, at any time, may not exceed 5.7% of the total number of Common Shares then outstanding, (c) the aggregate number of Common Shares issuable to insiders pursuant to RSUs and all other Share Compensation Arrangements, within a one year period, may not exceed 5.7% of the total number of Common Shares then outstanding; and (d) the aggregate number of securities granted under all Share Compensation Arrangements to any one non-executive Director in respect of a one year period, shall not exceed a maximum value of \$150,000 of securities. The RSU Plan does not otherwise provide for a maximum number of securities which may be issued to an individual pursuant to the RSU Plan and all other Share Compensation Arrangements (expressed as a percentage or otherwise).

The RSU Plan was amended in 2022 by the Directors (with shareholder approval not being required) to change the number of Common Shares reserved for issuance under the RSU Plan and all Share Compensation Arrangements, issuable to insiders and issuable to insiders in respect of a one year period, from 6.6% to 5.7% as disclosed above.

The Compensation Committee may from time to time in the absolute discretion of the Compensation Committee (without shareholder approval) amend, modify and change the provisions of the RSU Plan, including, without limitation: (i) amendments of a house keeping nature; (ii) the change to the Restricted Period of any RSU; and (iii) any amendments required by the TSX to allow the RSU Plan to become effective. However, other than as set out above, any amendment, modification or change to the provisions of the RSU Plan which would: (i) materially increase the benefits of the holder of RSUs to the detriment of the Company and its shareholders; (ii) increase the number of Common Shares, other than by virtue of the adjustment provisions; (iii) increase the limits on non-employee Directors; or (iv) materially modify the requirements as to eligibility for participation in the RSU Plan, which shall only be effective upon such amendment, modification or change being approved by the shareholders of the Company. Any amendment, modification or change of any provision of the RSU Plan, shall be subject to approval, if required, by any regulatory authority having jurisdiction over the securities of the Company.

In the event of a participant's retirement or termination during a Restricted Period, any RSUs automatically terminate, unless otherwise determined by the Compensation Committee. If a participant's retirement or termination occurs after the Restricted Period and prior to any Deferred Payment Date, any RSUs shall be satisfied by the Company issuing the applicable Common Shares or, subject to the agreement of the Company, the Company paying the "RSA Amount" (as such term is defined in the RSU Plan). The Board is permitted to extend a Deferred Payment Date beyond the participant's retirement date or termination date, with the consent of such participant. In the event of death or disability, such RSUs shall be immediately satisfied and Common Shares issued or, subject to the agreement of the Company, the Company paying the RSA Amount. In the event that any cash dividend or other cash distribution is paid by the Company on the Common Shares, a participant's RSU account will be credited with additional RSUs that are subject to the same terms and conditions, including the Restricted Period and the Deferred Payment Date, as the RSUs in respect of which the additional RSUs were credited.

In the event of a change of control of the Company as defined in the RSU Plan, all RSUs shall be immediately settled with Common Shares notwithstanding the Restricted Period and any applicable Deferred Payment Date.

As at May 11, 2022 there were 153,702 RSUs outstanding under the RSU Plan. Based on the 85,842,014 Common Shares outstanding as at May 11, 2022, this represents 0.18% of the issued and outstanding Common Shares.

15.3 Stock Option Plan

The purpose of the Stock Option Plan is to secure for the Company and the Company's shareholders the benefits of incentives inherent in share ownership by Directors, key employees and consultants of the Company who, in the judgment of the Board, will be largely responsible for its future growth and success.

In December 2021, the Board decided that the stock options granted in 2021 would be the last option awards made to Directors under the Stock Option Plan and as equity compensation for employees does not include stock options, the Company will not issue further stock options under the Stock Option Plan. Outstanding stock options will continue in effect pursuant to the terms and conditions

of the Stock Option Plan. The Stock Option Plan will be terminated once all outstanding stock options are exercised or have expired.

The Stock Option Plan provides that options may granted to an eligible person (as defined in the Stock Option Plan), at a price to be fixed by the Board, but, in any event, shall not be less than the closing price of the Common Shares on the TSX on the trading day immediately preceding the day of the grant of the option. The Common Shares subject to each option shall become purchasable at such time or times as may be determined by the Board and each option shall expire at a date determined by the Board, but in no case will such date be more than five years from the date of grant of the option.

The Stock Option Plan further provides that if an optionee ceases to be employed or ceases to be a Director while holding an option which has not been fully exercised, such optionee may exercise the option, to the extent that the optionee is entitled to exercise the option, for up to 90 days thereafter (or such longer period as may be required by law or may be determined by the Board) or prior to the expiry date of the option, whichever is sooner. In the case of an optionee being dismissed from employment or service for cause, the option will terminate on the date of such dismissal. All options that have been granted under the Stock Option Plan will be non-transferable and non-assignable.

As at May 11, 2022, there were options outstanding to purchase 89,473 Common Shares. As noted above, the Stock Option Plan will be terminated once these options are exercised or have expired and no further options will be granted.

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the Company's Directors or executive officers, nor any associate of such Director or executive officer is as at the date hereof, or has been, during the year ended December 31, 2021, indebted to the Company or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Company or any of its subsidiaries.

17. INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Company, nominee for election as a Director of the Company, or any associate or affiliate of an informed person or nominee, has or had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or will materially affect the Company or any of its subsidiaries.

18. ADDITIONAL INFORMATION

Additional information relating to the Company may be found on www.sedar.com. Additional financial information is provided in the Company's consolidated annual financial statements and management's discussion and analysis for the year ended December 31, 2021, which can be found on SEDAR at www.sedar.com or on the Company's website at www.torexgold.com. Shareholders may also request these documents from the General Counsel and Corporate Secretary of the Company by phone at (416) 203-7431 or by e-mail at Mary.Batoff@torexgold.com.

19. DIRECTORS' APPROVAL

The contents of the Circular and the sending thereof to the shareholders of the Company have been approved by the Board.

BY ORDER OF THE BOARD OF DIRECTORS



Jody Kuzenko
President and Chief Executive Officer

Toronto, Ontario
May 11, 2022



SCHEDULE A

TOREX GOLD RESOURCES INC. EMPLOYEE SHARE UNIT PLAN

ARTICLE 1 INTERPRETATION AND ADMINISTRATIVE PROVISIONS

1.1 Purpose

The purpose of the Plan is to provide a meaningful incentive to achieving the Company's annual operational objectives, and other short-term needs, through decisions that are consistent with creating long term value to support the Company's share price.

1.2 Definitions

For the purposes of the Plan, the following terms have the following meanings:

"Adjustment Factor" means the Adjustment Factor set out in the Grant Agreement for an award of Performance Share Units.

"Affiliate" means any entity that is an "affiliate" as defined in the Securities Act.

"Applicable Withholdings" means all income taxes and statutory amounts required to be withheld by the Company in respect of any Share Unit Amounts.

"Associate" where used to indicate a relationship with any person or company, is as defined in the securities act.

"Board" means the board of directors of the Company.

"Canadian Participant" means any Participant who is not a U.S. Participant and who is a Canadian resident for income tax purposes.

"Cause" when used in relation to the termination of employment, includes any matter that would constitute lawful cause for dismissal from employment at common law and any matter included as "cause" or "Cause" in an employment agreement between the Company or any Affiliate of the Company and the dismissed employee.

"Code" means the United States Internal Revenue Code of 1986, as amended, and any applicable United States Treasury Regulations and other binding regulatory guidance thereunder.

"Change of Control" means the occurrence of any one or more of the following events:

- (a) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Company and another corporation or by any person and its joint actors and affiliates (collectively, the "Group"), as such terms are used or defined in the Securities Act, and whether directly or indirectly, resulting in the acquisition of the Common Shares which, when added to all other Common Shares at the time held by such corporation or person and its joint actors and affiliates, totals for the first time 40% of the outstanding Common Shares;
- (b) any person or Group acting jointly or in concert succeeding in having a sufficient number of its nominees elected as directors such that such nominees, when added to any existing director remaining after such election, who can be considered to be a nominee of such person or Group, will constitute the majority of the Board; or
- (c) the Board adopt a resolution to the effect that a Change of Control has occurred or is imminent.

"Committee" means the Board or if the Board so determines, the committee of the Board authorized to administer the Plan including any compensation committee of the Board.

"Common Share" means a common share of the Company.

"Company" means Torex Gold Resources Inc.

“Disability” means the termination of the Participant’s employment due to disability in accordance with an employment agreement between the Company or any Affiliate of the Company and the dismissed employee.

“Dividend Performance Share Unit” has the meaning set out in Section 3.2.

“Dividend Restricted Share Unit” has the meaning set out in Section 3.2.

“Dividend Share Unit” means a Dividend Performance Share Unit or a Dividend Restricted Share Unit.

“Eligible Person” means any employee of the Company and any of its Affiliates and includes any such person who is on a leave of absence authorized by the Company or an Affiliate of the Company (which shall include all statutory leaves of absence).

“Expiry Date” means the Expiry Date set out in the Grant Agreement.

“Grant Agreement” means an agreement substantially in the form set out as Schedule A, in the case of Performance Share Units, and substantially in the form set out as Schedule B, in the case of Restricted Share Units, each as amended by the Committee from time to time.

“Grant Date” means the date the Board completes all requisite actions required to approve the grant of a Share Unit.

“Grant Term” has the meaning set out in the Grant Agreement for Restricted Share Units.

“Insider” means: (i) an insider as defined in the securities act, other than a person who is an insider solely by virtue of being a director or senior officer of an affiliate; and (ii) an associate of any person who is an insider by virtue of (i).

“Market Value” of the Common Shares means the closing price of the Common Shares on the Stock Exchange on the trading day immediately preceding the date as at which the Market Value is determined. In the event that the Common Shares are not then listed and posted for trading on any Stock Exchange, the Market Value shall be the fair market value of the Common Shares as determined by the Board in its sole discretion.

“Participant” means any Eligible Person to whom a Share Unit is granted.

“Performance Peers” means the companies approved by the Board from time to time for the determination of the relative total shareholder return.

“Performance Period” has the meaning set out in the Grant Agreement for Performance Share Units.

“Performance Share Unit” means a right granted to an Eligible Person to receive, upon redemption, as set out in this Plan, a Common Share or, at the election of the Participant and subject to the Company’s consent, the Share Unit Amount, based on the achievement of the performance criteria set out in the applicable Grant Agreement.

“Plan” means the employee share unit plan described herein, as amended from time to time.

“Redemption Date” means the date, if any, elected by a Canadian Participant pursuant to Section 3.3 or, with respect to a U.S. Participant, in accordance with Section 2.2 of the Special Appendix for U.S. Taxpayers attached hereto.

“Redemption Notice” means the notice referred to in Section 3.3 and substantially in the form set out as Schedule C, as amended from time to time.

“Restricted Share Unit” means a right granted to an Eligible Person to receive, upon redemption, as set out in the Plan, a Common Share or, at the election of the Participant and subject to the Company’s consent, the Share Unit Amount.

“**Securities Act**” means the *Securities Act* (Ontario), as amended from time to time.

“**Share Compensation Arrangement**” means this Plan and any other security based compensation arrangements implemented by the Company including stock option plans, employee stock purchase plans, share distribution plans, stock appreciation right plans, restricted share unit plans or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, pre-existing or otherwise.

“**Share Unit**” means a Performance Share Unit or a Restricted Share Unit.

“**Share Unit Account**” means the notional account maintained for each Participant to which Share Units are credited.

“**Share Unit Amount**” has the meaning set out in Section 3.4.

“**Stock Exchange**” means the Toronto Stock Exchange or such other stock exchange on which the Common Shares are then listed.

“**Termination Date**” means the date a Participant ceases to be an Eligible Person and does not include any period of statutory, contractual or common law notice of termination of employment or any period of salary continuance, severance, or deemed employment, except for the period of notice required by the *Employment Standards Act, 2000*.

“**U.S. Participant**” means any Participant who is a United States citizen or United States resident alien as defined for purposes of Code Section 7701(b)(1)(A) or other Participant for whom the compensation under this Plan would be subject to income tax under the Code.

“**Vested Performance Share Unit**” has the meaning set out in Section 4.2.

“**Vested Restricted Share Unit**” has the meaning set out in Section 5.1.

“**Vested Share Unit**” means a Vested Performance Share Unit or a Vested Restricted Share Unit.

“**Vesting Date**” means the date or dates designated in the Grant Agreement, or such earlier date as is provided for in the Plan, in an employment agreement between the Company or an Affiliate of the Company and a Participant, or as determined by the Board.

Where the context so requires, words importing the singular number include the plural and vice versa, and words importing the masculine gender include the feminine and neuter genders.

1.3 Effective Date of Plan

The effective date of the Plan is April 29, 2016.

1.4 Common Shares Reserved for Issuance

- (a) The aggregate number of Common Shares reserved for issuance pursuant to this Plan and all other Share Compensation Arrangements shall not exceed 5.7% of the outstanding Common Shares from time to time, provided that Common Shares reserved for issuance pursuant to Share Units which are cancelled or terminated without having been redeemed will again be available for issuance under this Plan (and other Share Compensation Arrangements) and also provided that Common Shares underlying Share Units that are redeemed for cash will not again be available for issuance under this Plan (or other Share Compensation Arrangements).
- (b) The aggregate number of Common Shares issuable to Insiders pursuant to Share Rights and all other Share Compensation Arrangements, at any time, shall not exceed 5.7% of the total number of Common Shares then outstanding.
- (c) The aggregate number of Common Shares issued to Insiders pursuant to Share Rights and all other Share Compensation Arrangements, within a one year period, shall not exceed 5.7% of the total number of Common Shares then outstanding.



ARTICLE 2 ADMINISTRATION

2.1 Administration of the Plan

This Plan shall be administered by the Committee which has the discretion to: (i) recommend to the Board grants of Share Units to Eligible Persons; (ii) interpret and administer the Plan; (iii) establish, amend and rescind any rules and regulations relating to the Plan; (iv) recommend to the Board the conditions to the vesting of Share Units; (v) set, waive and amend performance targets; (vi) recommend to the Board amending the list of Performance Peers; and (vii) make any other determinations or recommendations that the Committee deems necessary or desirable for the administration of the Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan, in the manner and to the extent the Committee deems, in its discretion, necessary or desirable. Any decision of the Committee with respect to the administration and interpretation of the Plan shall be conclusive and binding on the Participants.

2.2 Governing Law

The Plan shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

2.3 Taxes and Other Source Deductions

The Company shall be authorized to deduct from any amount to be paid or credited hereunder any Applicable Withholdings in such manner as the Company determines, to the extent such Applicable Withholdings are not satisfied through the sale of Common Shares as provided in Section 3.4.

ARTICLE 3 SHARE UNITS

3.1 Awards of Share Units

The Board may grant Share Units to Eligible Persons in its sole discretion. The award of a Share Unit to an Eligible Person at any time shall neither entitle such Eligible Person to receive nor preclude such Eligible Person from receiving a subsequent grant of Share Units.

3.2 Crediting of Share Units and Dividend Share Units

Share Units granted to a Participant shall be credited to the Participant's Share Unit Account on the Grant Date. Each grant of Share Units must be confirmed by a Grant Agreement signed by the Company and the Participant. From time to time, a Participant's Share Unit Account shall be credited with Dividend Share Units in the form of additional Performance Share Units ("**Dividend Performance Share Units**") in respect of outstanding Performance Share Units or Restricted Share Units ("**Dividend Restricted Share Units**") in respect of outstanding Restricted Share Units on each dividend payment date in respect of which normal cash dividends are paid on Common Shares. Such Dividend Share Units shall be computed as:

- (a) the amount of the dividend declared and paid per Common Share multiplied by the number of Performance Share Units and Restricted Share Units, as applicable, recorded in the Participant's Share Unit Account on the date for the payment of such dividend, divided by
- (b) the Market Value of a Common Share as at the dividend payment date.

3.3 Redemption Notice

Participants may elect a redemption date (the "**Redemption Date**") for their Vested Share Units which shall be before the Expiry Date by giving a written notice (a "**Redemption Notice**") to the Company in the form set out as Schedule C. If the Participant does not elect a Redemption Date in respect of an award of Share Units, the Share Units shall be redeemed on the Expiry Date.

Notwithstanding the foregoing: (a) in the event that an Expiry Date, or a Participant elects to redeem Vested Share Units on a Redemption Date other than the Expiry Date and such date falls within, or within two days of the end of a trading blackout imposed by the Company (the “**Blackout Period**”), the Expiry Date or the Redemption Date, as the case may be, of such Vested Share Units shall be automatically extended to the tenth business day following the end of the Blackout Period, unless the Company has agreed and a Participant elects to redeem Vested Shares Units on the condition that such Participant receive the Share Unit Amount in respect of such Vested Share Units on or before a date specified by the Company for such purpose, in which case the Expiry Date or the Redemption Date, as the case may be, of such Vested Share Units shall not be extended; and (b) in the event that an Expiry Date or a Redemption Date falls on a date that is not a business day, the Expiry Date or the Redemption Date, as the case may be, shall be automatically extended to the next business day.

3.4 Redemption of Share Units

The Company shall redeem the Vested Share Units on the earlier of the Redemption Date selected by the Participant, the Expiry Date and the date determined in accordance with Article 4, in the case of Performance Share Units, and Article 5, in the case of Restricted Share Units, by: (i) issuing to the Participant the number of Common Shares equal to one Common Share for each whole Vested Share Unit redeemed and delivering to the Participant either (A) such number of Common Shares; less the number of Common Shares with a Market Value equal to the Applicable Withholdings; or (B) subject to the consent of the Company, such number of Common Shares, provided the Participant has provided for payment to the Company of all or a portion of the Applicable Withholdings; or (ii) at the election of the Participant and subject to the consent of the Company, the Company paying to the Participant an amount (the “**Share Unit Amount**”) equal to: (A) the number of Vested Share Units redeemed multiplied by (B) the Market Value minus (C) Applicable Withholdings; or (iii) a combination of (i) and (ii). In the case of a redemption under (i), the number of Common Shares with a Market Value equal to the Applicable Withholdings shall be sold by the Company on behalf of the Participant and the net proceeds of such sale remitted by the Company to the appropriate taxation authorities. The Common Shares shall be issued and/or the Share Unit Amount shall be paid as a lump-sum by the Company within ten business days of the date the Vested Share Units are redeemed pursuant to this Section 3.4.

3.5 Effect of Redemption of Share Units.

A Participant shall have no further rights respecting any Vested Share Unit which has been redeemed in accordance with this Plan.

3.6 Reporting of Share Units

Statements of the Share Unit Accounts will be made available to Participants at least annually.

ARTICLE 4 PERFORMANCE SHARE UNITS

4.1 Vesting Date

Performance Share Units shall vest on the applicable Vesting Date, conditional on the satisfaction of any additional vesting conditions established by the Committee from time to time. Dividend Performance Share Units shall vest at the same time and in the same proportion as the associated Performance Share Units.

4.2 Performance Vesting

The number of Performance Share Units which vest on a Vesting Date (each, a “**Vested Performance Share Unit**”) is the number of Performance Share Units and Dividend Performance Share Units scheduled to vest on such Vesting Date multiplied by the Adjustment Factor.

4.3 Termination for Cause

If the employment of a Participant is terminated by the Company for Cause, the Participant shall forfeit all right, title and interest with respect to Performance Share Units, including Vested Performance Share Units,

and the related Dividend Share Units, subject to the provisions of any employment agreement between the Company, or any Affiliate of the Company, and the Participant.

4.4 Resignation and Termination Without Cause

If the employment of a Participant is terminated due to resignation by the Participant or by the Company without Cause, a *pro rata* portion of the Participant's unvested Performance Share Units and related Dividend Share Units shall vest immediately prior to the Participant's Termination Date, based on the number of complete months from the first day of the Performance Period to the Termination Date divided by the number of months in the Performance Period, subject to the provisions of any employment agreement between the Company, or any Affiliate of the Company, and the Participant. The Participant's Vested Performance Share Units shall be redeemed at the end of the Performance Period using the Adjustment Factor determined for the Performance Period.

4.5 Disability of a Participant

If the employment of a Participant is terminated by the Disability of the Participant, a *pro rata* portion of the Participant's unvested Performance Share Units and related Dividend Share Units shall vest immediately prior to the date of the Participant's Disability, based on the number of complete months from the first day of the Performance Period to the date of the Participant's Disability divided by the number of months in the Performance Period, subject to the provisions of any employment agreement between the Company, or any Affiliate of the Company, and the Participant. The Participant's Vested Performance Share Units shall be redeemed at the end of the Performance Period and the Adjustment Factor determined for the Performance Period.

4.6 Death of a Participant

If the employment of a Participant is terminated by the death of the Participant, a *pro rata* portion of the Participant's unvested Performance Share Units and related Dividend Share Units shall vest immediately prior to the date of the Participant's death, based on the number of complete months from the first day of the Performance Period to the date of the Participant's death divided by the number of months in the Performance Period, subject to the provisions of any employment agreement between the Company, or any Affiliate of the Company, and the Participant. The Participant's Vested Performance Share Units shall be redeemed as soon as practical following the date of the Participant's death using the Adjustment Factor determined by the Committee which shall be based on performance to the end of the year prior to the Participant's date of death, provided that if the Performance Period for the Vested Performance Share Units commenced less than one year prior to the Participant's date of death, the Performance Share Units will be redeemed using an Adjustment Factor of 1.0.

4.7 Termination following a Change of Control

Notwithstanding anything in this Article 4 to the contrary, if the employment of a Participant is terminated by the Company without Cause or if the Participant resigns in circumstances constituting constructive termination, in each case, within 24 months following a Change of Control, all of the Participant's Performance Share Units and related Dividend Share Units shall vest immediately prior to the Participant's Termination Date, subject to the provisions of any employment agreement between the Company, or any Affiliate of the Company, and the Participant. The Participant's Vested Performance Share Units shall be redeemed as soon as practical following the Participant's Termination Date using the Adjustment Factor determined by the Committee, which shall be based on performance to the end of the year prior to the Participant's Termination Date, provided that if the Performance Period for the Vested Performance Share Units commenced less than one year prior to the Participant's Termination Date, the Performance Share Units will be redeemed using an Adjustment Factor of 1.0.



ARTICLE 5 RESTRICTED SHARE UNITS

5.1 Vesting Date

Each Restricted Share Unit shall vest (and become a “**Vested Restricted Share Unit**”) on the Vesting Date, conditional on the satisfaction of any additional vesting conditions established by the Committee or the Board from time to time. Dividend Restricted Share Units shall vest at the same time and in the same proportion as the associated Restricted Share Units.

5.2 Termination for Cause

If the employment of a Participant is terminated by the Company for Cause, the Participant shall forfeit all right, title and interest with respect to Restricted Share Units, including Vested Restricted Share Units, and the related Dividend Share Units, subject to the provisions of any employment agreement between the Company, or any Affiliate of the Company, and the Participant.

5.3 Resignation and Termination Without Cause

If the employment of a Participant is terminated due to resignation by the Participant or by Company without Cause, a *pro rata* portion of the Participant’s unvested Restricted Share Units and related Dividend Share Units shall vest immediately prior to the Participant’s Termination Date, based on the number of months from the first day of the Grant Term to the Termination Date divided by the number of months in the Grant Term, subject to the provisions of any employment agreement between the Company, or any Affiliate of the Company, and the Participant. The Participant’s Vested Restricted Share Units shall be redeemed at the end of the Grant Term.

5.4 Disability of a Participant

If the employment of a Participant is terminated by the Disability of the Participant, a *pro rata* portion of the Participant’s unvested Restricted Share Units and related Dividend Share Units shall vest immediately prior to the Participant’s Disability based on the number of complete months from the first day of the Grant Term to the date of the Participant’s Disability divided by the number of months in the Grant Term, subject to the provisions of any employment agreement between the Company, or any Affiliate of the Company, and the Participant. The Participant’s Vested Restricted Share Units shall be redeemed at the end of the Grant Term.

5.5 Death of a Participant

If the employment of a Participant is terminated by the death of the Participant, a *pro rata* portion of the Participant’s unvested Restricted Share Units and related Dividend Share Units shall vest immediately prior to the date of the Participant’s death based on the number of complete months from the first day of the Grant Term to the date of death divided by the number of months in the Grant Term, subject to the provisions of any employment agreement between the Company, or any Affiliate of the Company, and the Participant. The Participant’s Vested Restricted Share Units shall be redeemed as soon as practical following the date of the Participant’s death.

5.6 Termination Following a Change of Control

Notwithstanding anything in this Article 5 to the contrary, if the employment of a Participant is terminated by the Company without Cause or if the Participant resigns in circumstances constituting constructive termination, in each case, within 24 months following a Change of Control, all of the Participant’s Restricted Share Units and related Dividend Share Units shall vest immediately prior to the Participant’s Termination Date and shall be redeemed as soon as practical following the Termination Date.

ARTICLE 6 GENERAL

6.1 Capital Adjustments

In the event of any stock dividend, stock split, combination or exchange of shares, merger, consolidation, spin-off or other distribution (other than normal cash dividends) of the Company's assets to shareholders, or any other change in the capital of the Company affecting the Common Shares and subject to the rules, regulations and policies of the Stock Exchange, the Board will make such proportionate adjustments, if any, as the Board in its discretion may deem appropriate to reflect such change (for the purpose of preserving the value of the Share Units), with respect to: (i) the number or kind of shares or other securities on which the Share Units and Dividend Share Units are based; and (ii) the number of Share Units and Dividend Share Units; provided, however, that no substitution or adjustment will obligate the Company to issue or sell fractional shares.

6.2 Amendment, Suspension, or Termination of Plan

No new awards may be made under this Plan after the 10th anniversary of the Effective Date. The Board may amend, suspend or terminate the Plan, or any portion thereof, at any time, subject to those provisions of applicable law (including, without limitation, the rules, regulations and policies of the Stock Exchange), if any, that require the approval of shareholders or any governmental or regulatory body.

The Board may from time to time, in its absolute discretion and without the approval of the shareholders of the Company, make the following amendments to this Plan or any Share Unit:

- (a) any amendment to the vesting provisions of this Plan and any Grant Agreement, including to accelerate, conditionally or otherwise, on such terms as it sees fit, the vesting date of a Share Unit (provided that any amendment to the vesting provisions that would extend the term to the benefit of an Insider will not be permitted without shareholder approval);
- (b) any amendment to this Plan or a Share Unit as necessary to comply with applicable law or the requirements of the applicable Stock Exchange or any other regulatory body having authority over the Company, this Plan or the shareholders of the Company;
- (c) any amendment to this Plan and any Grant Agreement to permit the conditional redemption of any Share Unit;
- (d) any amendment of a "housekeeping" nature, including, without limitation, to clarify the meaning of an existing provision of this Plan, correct or supplement any provision of the Plan that is inconsistent with any other provision of this Plan, correct any grammatical or typographical errors or amend the definitions in this Plan regarding administration of the Plan;
- (e) any amendment respecting the administration of this Plan; and
- (f) any other amendment that does not require the approval of the shareholders of the Company including, for greater certainty, an amendment in connection with a Change of Control to assist the Participants to tender the underlying Common Shares to, or participate in, the actual or potential event or to obtain the advantage of holding the underlying Common Shares during such event; and to terminate, following the successful completion of such event, on such terms as it sees fit, the Share Units not redeemed prior to the successful completion of such event.

Shareholder approval will be required for the following amendments:

- (g) increases to the number of Common Shares issuable under this Plan, including an increase to a fixed maximum number of Common Shares, or a change from a fixed maximum number of Common Shares to a fixed maximum percentage;
- (h) any amendment expanding the categories of Eligible Person, including without limitation, the participation of non-employee directors;

- (i) the addition of any other provision which results in participants receiving Common Shares, while no cash consideration is received by the Company;
- (j) amendments to this Section 6.2 or to Section 6.6; and
- (k) amendments required to be approved by shareholders under applicable law (including, without limitation, the rules, regulations and policies of the Toronto Stock Exchange).

If this Plan is terminated, the provisions of this Plan and any administrative guidelines, and other rules adopted by the Board and in force at the time of this Plan, will continue in effect as long as a Share Unit or any rights pursuant thereto remain outstanding. However, notwithstanding the termination of the Plan, the Board may make any amendments to this Plan or the Share Units it would be entitled to make if this Plan were still in effect.

Subject to the rules, regulations and policies of the Stock Exchange, the Board may amend or modify any outstanding Share Unit in any manner to the extent that the Board would have had the authority to initially grant the award as so modified or amended.

6.3 Non-Exclusivity

Nothing contained herein will prevent the Board from adopting other or additional compensation arrangements for the benefit of any Participant, subject to any required regulatory or shareholder approval.

6.4 Unfunded Plan

To the extent any individual holds any rights under this Plan, such rights (unless otherwise determined by the Committee) shall be no greater than the rights of an unsecured general creditor of the Company.

6.5 Successors and Assigns

This Plan shall be binding on all successors and assigns of the Company and each Participant, including without limitation, the legal representative of a Participant, or any receiver or trustee in bankruptcy or representative of the creditors of the Company or a Participant.

6.6 Transferability of Awards

Rights respecting Share Units and Dividend Share Units shall not be transferable or assignable by the Participant other than by will or the laws of descent and distribution.

6.7 Effect of Change of Control

Notwithstanding any other provision of this Plan, in the event of a Change of Control, any surviving, successor or acquiring entity shall assume any outstanding Share Units or shall substitute similar share units for the outstanding Share Units. If the surviving, successor or acquiring entity does not assume the outstanding Share Units or substitute similar share units for the outstanding Share Units, or if the Committee or the Board otherwise determines in its sole discretion, the Company shall give written notice to all Participants advising that this Plan shall be terminated effective immediately prior to the Change of Control and all Restricted Share Units shall be deemed to be Vested Restricted Share Units and a specified number of outstanding Performance Share Units shall be deemed to be Vested Performance Share Units and shall be redeemed as of the termination date of this Plan. The number of Performance Share Units that are deemed to be Vested Performance Share Units shall be determined in the discretion of the Committee or the Board using an Adjustment Factor determined in the discretion of the Committee or the Board.

6.8 No Special Rights

Nothing contained in this Plan or in any Share Unit or Dividend Share Unit will confer upon any Participant any right to the continuation of the Participant's employment by the Company, its Affiliate, as applicable, or interfere in any way with the right of the Company, or its Affiliate, as applicable, at any time to terminate that employment or to increase or decrease the compensation of the Participant. Share Units and Dividend Share Units shall not be considered Common Shares nor shall they entitle any Participant to exercise voting



rights or any other rights attaching to the ownership of Common Shares, nor shall any Participant be considered the owner of Common Shares by virtue of his or her ownership of Share Units or Dividend Share Units.

6.9 Other Employee Benefits

The amount of any compensation deemed to be received by a Participant as a result of the redemption of any Share Unit will not constitute compensation with respect to which any other employee benefits of that Participant are determined, including, without limitation, benefits under any bonus, pension, profit-sharing, insurance or salary continuation plan, except as otherwise specifically determined by the Committee.

6.10 Tax Consequences

It is the responsibility of the Participant to complete and file any tax returns which may be required under Canadian, U.S. or other applicable jurisdiction's tax laws within the periods specified in those laws as a result of the Participant's participation in the Plan. The Company and its Affiliates shall not be held responsible for any tax consequences to a Participant as a result of the Participant's participation in the Plan.

6.11 No Liability

The Company and its Affiliates shall not be liable to any Participant for any loss resulting from a decline in the market value of any Common Shares.

Approved by the Board: April 29, 2016.

Approved by the shareholders: June 9, 2016.

Amendments approved by the Board: January 9, 2019 and May 7, 2019.

Approved by the shareholders: June 20, 2019.

Amendment approved by Board: December 8, 2020

Amendment approved by Board: May 11, 2022



**TOREX GOLD RESOURCES INC.
EMPLOYEE SHARE UNIT PLAN**

GRANT AGREEMENT FOR PERFORMANCE SHARE UNITS

[Name of Employee] (the “**Participant**”)

Pursuant to the Employee Share Unit Plan (the “**Plan**”) of Torex Gold Resources Inc. (the “**Company**”) effective April 29, 2016 and in consideration of services provided to the Company or its Affiliates by the Participant, the Company hereby grants to the Participant _____ Performance Share Units under the Plan.

All capitalized terms not defined in this Grant Agreement have the meaning set out in the Plan. No cash or other compensation shall at any time be paid in respect of any Share Units or Dividend Share Units which have been forfeited or terminated under the Plan or on account of damages relating to any Share Units or Dividend Share Units which have been forfeited or terminated under the Plan.

The Adjustment Factor for the Performance Share Units is determined based on total shareholder return relative to the Performance Peers (defined below) (the “**Relative TSR Performance**”), as set out on the table below and the Relative TSR Performance Adjustment Factor is determined as follows:

[to be inserted]

The Committee will determine the methodology for assessing Relative TSR Performance from time to time, in its discretion, and the Board shall have discretion to make changes to the group of companies approved by the Board from time to time for the determination of the relative total shareholder return (the “**Performance Peers**”).

The Vesting Date for this award is December 31, **[year]**. The Performance Period for the award is January 1, **[year]** to December 31, **[year]**. The Expiry Date of the award is **[Specify Date]**, or such earlier date as is determined by the Committee or the Board at any time prior to the initial Expiry Date.

The Performance Share Units and any related Dividend Performance Share Units are subject to the terms and conditions of the Plan, a copy of which has been provided to the Participant, and all of which are incorporated into and form a part of this Grant Agreement. For greater certainty, the Participant authorizes the sale of a sufficient number of Common Shares to pay Applicable Withholdings on the redemption of any Performance Share Units.

DATED _____, **[year]**.

TOREX GOLD RESOURCES INC.

By: _____

Name:

Title:

I agree to the terms and conditions set out herein and confirm and acknowledge that I have not been induced to enter into this agreement or acquire any Performance Share Units by expectation of employment or continued employment with the Company or any Affiliate of the Company.

Name:



SCHEDULE B

TOREX GOLD RESOURCES INC. EMPLOYEE RESTRICTED SHARE UNIT PLAN

GRANT AGREEMENT FOR RESTRICTED SHARE UNITS

[Name of Employee] (the "Participant")

Pursuant to the Employee Share Unit Plan (the "Plan") of Torex Gold Resources Inc. (the "Company") effective April 29, 2016 and in consideration of services provided to the Company or its Affiliates by the Participant, the Company hereby grants to the Participant _____ Restricted Share Units under the Plan.

All capitalized terms not defined in this Grant Agreement have the meaning set out in the Plan. No cash or other compensation shall at any time be paid in respect of any Share Units or Dividend Share Units which have been forfeited or terminated under the Plan or on account of damages relating to any Share Units or Dividend Share Units which have been forfeited or terminated under the Plan.

The Vesting Date(s) for this award are: [to be inserted]. The Grant Term for this award is January 1, [year], to December 31, [year]. The Expiry Date for the award is [Specify Date], or such earlier date as is determined by the Committee or the Board at any time prior to the initial Expiry Date.

Subject to any provisions to the contrary in an Election Notice, the Company and the Participant understand and agree that the granting and redemption of these Restricted Share Units and any related Dividend Restricted Share Units are subject to the terms and conditions of the Plan, a copy of which has been provided to the Participant, and all of which are incorporated into and form a part of this Grant Agreement. For greater certainty, the Participant authorizes the sale of a sufficient number of Common Shares to pay Applicable Withholdings on the redemption of any Restricted Share Units.

DATED _____, [year].

TOREX GOLD RESOURCES INC.

By: _____

Name:

Title:

I agree to the terms and conditions set out herein and confirm and acknowledge that I have not been induced to enter into this agreement or acquire any Restricted Share Units by expectation of employment or continued employment with the Company or any Affiliate of the Company.

Name:



SCHEDULE C

TOREX GOLD RESOURCES INC. EMPLOYEE SHARE UNIT PLAN

REDEMPTION NOTICE

To: Torex Gold Resources Inc. (the “**Company**”)

Pursuant to the Employee Share Unit Plan (the “**Plan**”) of the Company effective April 29, 2016, the undersigned hereby elects to redeem:

- _____ of the undersigned’s Vested Performance Share Units and related Dividend Performance Share Units; and/or
- _____ of the undersigned’s Vested Restricted Share Units and related Dividend Restricted Share Units
- on _____.
[date]

The undersigned elects to redeem:

- _____% of the Vested Share Units and related Dividend Share Units by receiving the Share Unit Amount, subject to the consent of the Company.

All capitalized terms not defined in this Redemption Notice have the meanings set out in the Plan. No cash or other compensation shall at any time be paid in respect of any Share Units or Dividend Share Units which have been forfeited or terminated under the Plan or on account of damages relating to any Share Units or Dividend Share Units which have been forfeited or terminated under the Plan.

The undersigned understands and agrees that the granting and redemption of these Restricted Share Units are subject to the terms and conditions of the Plan which are incorporated into and form a part of this Redemption Notice.

Dated: _____ Name: _____

SPECIAL APPENDIX

Special Provisions Applicable Solely to US Participants

TOREX GOLD RESOURCES INC. EMPLOYEE SHARE UNIT PLAN

This Special Appendix sets forth special provisions of Plan that apply to US Participants that are subject to Section 409A and for the avoidance of doubt, shall override any provisions of the Plan to the extent of any inconsistency. Except as otherwise specific herein, terms defined in the Plan and used herein shall have the meanings set forth in the Plan document, as amended from time to time.

1 Definitions

For purposes of this Special Appendix:

“Change of Control” means a Change of Control within the meaning of the Plan provided it constitutes a change in control within the meaning of Section 409A of the Code.

“Disability” means a disability within the meaning of the plan provided it meets the requirements of “disability” as defined in section 409a of the code.

“Section 409a” means section 409a of the code.

“Separation from service” shall mean that employment or service with the company and any entity that is to be treated as a single employer with the company for purposes of united states treasury regulation section 1.409a-1(h) terminates such that it is reasonably anticipated that no further services will be performed.

“Specified employee” means a us participant who meets the definition of “specified employee,” as defined in section 409a(a)(2)(b)(i) of the code.

2 Compliance with Section 409A

2.1 In General. Notwithstanding any provision of the Plan to the contrary, it is intended that any payments under the Plan either be exempt from or comply with Section 409A, and all provisions of the Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. Each US Participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for the account of such US Participant in connection with the Plan or any other plan maintained by the Company (including any taxes and penalties under Section 409A), and neither the Company nor any Subsidiary of the Company shall have any obligation to indemnify or otherwise hold such US Participant (or any beneficiary) harmless from any or all of such taxes or penalties.

2.2 Election to Defer Settlement of Performance Share Units and Restricted Share Units. For the avoidance of doubt and notwithstanding anything to the contrary in Section 3, 4, or 5 of the Plan or otherwise, any US Participant that wishes to defer the settlement of such US Participant’s award of Performance Share Units or Restricted Share Units must specify the Redemption Date for his or her Performance Share Units or Restricted Share Units (i) within thirty (30) days following the receipt an award of Share Units under the Plan with respect to awards made in 2016, and (ii) prior to the end of the fiscal year prior to the year in which the award of the Shares Units will be granted with respect to awards (if any) issued in 2017 or later years.

2.3 Default Settlement of Performance Share Units and Restricted Share Units. If any US Participant fails to timely elect a Redemption Date in accordance with this Special Appendix then any and all (i) Performance Share Units issued the US Participant shall be redeemed within seventy-five (75) days following the date on which the Performance Period lapses and (ii) Restricted Share Units

issued to the US Participant shall be redeemed within seventy-five (75) days following the end of the Grant Term, except as otherwise provided below in Section 2.4.

2.4 Special Termination Events and/or Change of Control. Notwithstanding the provisions of the Plan, Section 2.3 of this Special Appendix, the Participant's elected Redemption Date or anything else to the contrary:

- (a) where the US Participant's Separation from Service occurs as a result of resignation by the Participant or by the Company without Cause prior to the end of the Performance Period or Grant Term, any Performance Share Units and/or Restricted Share Units that vest in accordance with Sections 4.4 or 5.3 of the Plan (or Sections 4.6 or 5.5 if such Separation from Service occurs within 24 months following a Change of Control), shall be redeemed within seventy-five (75) days following the end of the Performance Period and/or Grant Term applicable to the award.
- (b) where the US Participant's Separation from Service occurs as a result of resignation by the Participant or by the Company without Cause at any time following the end of the Performance Period or Grant Term but prior to the Redemption Date applicable to the award, any Performance Share Units and/or Restricted Share Units that have vested in accordance with terms of the Plan shall be redeemed within seventy-five (75) days following such Separation from Service.
- (c) where the US Participant's Termination Date occurs as a result of the Participant's Disability prior to the end of the Performance Period or Grant Term, any Performance Share Units and/or Restricted Share Units that vest in accordance with Sections 4.5 or 5.4 of the Plan (or Section 4.6 or 5.5 if within 24 months following a Change of Control), shall be redeemed within seventy-five (75) days following the end of the Performance Period and/or Grant Term applicable to the award.
- (d) where the US Participant's Termination Date occurs as a result of Participant's Disability at any time following the end of the Performance Period or Grant Term but prior to the Redemption Date, any Performance Share Units and/or Restricted Share Units that have vested in accordance with terms of the Plan shall in all events be redeemed within seventy-five (75) days following such Termination Date.
- (e) where the US Participant's Termination Date occurs as a result of the Participant's death prior to the Redemption Date, any Performance Share Units and/or Restricted Share Units that vest in accordance with Sections 4.6 or 5.4 of the Plan, shall be redeemed immediately notwithstanding the Performance Period and/or Grant Term applicable to the award and in all events not later than seventy-five (75) days following such Termination Date.

2.5 Distributions to Specified Employees. Solely to the extent required by Section 409A, any payment in respect of Performance Share Units or Restricted Shares Units which is subject to Section 409A and which has become payable on or following Separation from Service to any US Participant who is determined to be a Specified Employee shall not be paid before the date which is six months after such Specified Employee's Separation from Service (or, if earlier, the date of death of such Specified Employee). Following any applicable six month delay of payment, all such delayed payments shall be made to the Specified Employee in a lump sum on the earliest possible payment date.

3 **Amendment of Appendix**

Notwithstanding Section 5 of the Plan, the Board shall retain the power and authority to amend or modify this Special Appendix to the extent the Board in its sole discretion deems necessary or advisable to comply with any guidance issued under Section 409A. Such amendments may be made without the approval of any US Participant and shall be made in a manner designed to maintain, to the maximum extent practicable, the original intent and economic benefit to the U.S. Participant without materially increasing the cost to the Company.



SCHEDULE D

**TOREX GOLD RESOURCES INC.
EMPLOYEE SHARE UNIT PLAN
REDEMPTION NOTICE
FOR US PARTICIPANTS**

I, _____, do hereby elect to have a Redemption Date of calendar year _____ in respect of the [**Performance Share Units/Restricted Share Units**] (including any accumulated dividend/distribution equivalents) granted to me pursuant to the Grant Agreement dated [**specify date**], and otherwise in accordance with the special provisions of the Special Appendix to the Plan applicable to US Participants.

This election shall be irrevocable.

All capitalized terms not defined in this Redemption Notice have the meaning set out in the Plan. No cash or other compensation shall at any time be paid in respect of any Share Units or Dividend Share Units which have been forfeited or terminated under the Plan or on account of damages relating to any Share Units or Dividend Share Units which have been forfeited or terminated under the Plan.

The undersigned understands and agrees that the granting and redemption of Performance Share Units and Restricted Share Units are subject to the terms and conditions of the Plan which are incorporated into and form a part of this Redemption Notice.

Employee/Officer Name

Date

Employee/Officer Signature

Witness

Date



SCHEDULE B

TOREX GOLD RESOURCES INC.

RESTRICTED SHARE PLAN

ARTICLE ONE DEFINITIONS AND INTERPRETATION

Section 1.01 Definitions

For purposes of this Restricted Share Plan, unless such word or term is otherwise defined herein or the context in which such word or term is used herein otherwise requires, the following words and terms with the initial letter or letters thereof capitalized shall have the following meanings:

“Act” means the *Business Corporations Act* (Ontario) or its successor, as amended from time to time.

“Associate” where used to indicate a relationship with any person or company, is as defined in the securities act;

“Board” means the board of directors of the Company;

“Change of Control” means the occurrence of any one or more of the following events:

- (i) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Company and another corporation or by any person and its joint actors and affiliates (collectively, the **“Group”**), as such terms are used or defined in the Securities Act, and whether directly or indirectly, resulting in the acquisition of the Common Shares which, when added to all other Common Shares at the time held by such corporation or person and its joint actors and affiliates, totals for the first time 40% of the outstanding Common Shares;
- (ii) any person or Group acting jointly or in concert succeeding in having a sufficient number of its nominees elected as directors such that such nominees, when added to any existing director remaining after such election, who can be considered to be a nominee of such person or Group, will constitute the majority of the board; or
- (iii) the board adopt a resolution to the effect that a Change of Control has occurred or is imminent;

“Committee” means the Board or if the Board so determines in accordance with section 2.03 of the Restricted Share Plan, the committee of the Board authorized to administer the Restricted Share Plan including any compensation committee of the Board;

“Common Shares” means the common shares of the Company to be issued from treasury;

“Company” means Torex Gold Resources Inc., a corporation continued under the Act;

“Deferred Payment Date” for a Participant means the date after the Restricted Period which is the earlier of (i) the date to which the Participant has elected to defer receipt of Restricted Shares; and (ii) the Participant’s Retirement Date or such other date determined by the Board with the consent of the Participant;

“Designated Affiliate” means an entity that is an “affiliate” as defined in the Securities Act that has been designated by the Committee for purposes of the Restricted Share Plan from time to time;



“Director” means a director of the Company;

“Eligible Contractors” means individuals, other than Eligible Directors or Eligible Employees that (i) are engaged to provide on a bona fide basis consulting, technical, management or other services to the Company or any designated affiliates under a written contract between the company or the Designated Affiliate and the individual or a company of which the individual consultant is an employee and (ii) in the reasonable opinion of the Committee, spent or will spend a significant amount of time and attention on the affairs and business of the Company or a Designated Affiliate;

“Eligible Directors” means the Directors and the directors of any Designated Affiliate of the Company from time to time;

“Eligible Employees” means employees, including officers, whether Directors or not, and including both full-time and part-time employees, of the Company or any Designated Affiliate of the Company;

“Employment Agreement” means an employment agreement between a Participant and the Company or a Designated Affiliate;

“Insider” means: (i) an insider as defined in the Securities Act, other than a person who is an Insider solely by virtue of being a director or senior officer of an Affiliate; and (ii) an Associate of any person who is an Insider by virtue of (i).

“Market Value” of the Common Shares means the closing price of the Common Shares on the Stock Exchange on the trading day immediately preceding the date as at which the Market Value is determined. In the event that the Common Shares are not then listed and posted for trading on any Stock Exchange, the Market Value shall be the fair market value of the Common Shares as determined by the Board in their sole discretion;

“non-employee Eligible Director” means an Eligible Director of the Company who is not also an officer of the Company;

“Participant” means each Eligible Director, Eligible Contractor, and Eligible Employee to whom Restricted Share Rights are granted;

“Restricted Period” means any period of time during which a Restricted Share Right is not exercisable and the Participant holding such Restricted Share Right remains ineligible to receive Restricted Shares as determined by the Board in its absolute discretion, however, such period of time may be reduced or eliminated from time to time and at any time and for any reason as determined by the Board, including but not limited to circumstances involving death or disability of a Participant;

“Restricted Share Plan” means the restricted share plan described herein;

“Restricted Share Rights” has such meaning as ascribed to such term in section 3.02 of the Restricted Share Plan;

“Restricted Shares” means the Common Shares issuable in satisfaction of Restricted Share Rights;

“Retirement” in respect of a Participant means the Participant ceasing to be an Eligible Employee, Eligible Director or Eligible Contractor after attaining a stipulated age in accordance with the Company’s normal retirement policy or earlier with the Company’s consent;



“Retirement Date” means the date that a Participant ceases to be an Eligible Employee, Eligible Director or Eligible Contractor;

“RSR Amount” has the meaning set out in section 3.02.

“Securities Act” means the *Securities Act* (Ontario), as amended from time to time;

“Share Compensation Arrangement” means the Restricted Share Plan and any other security based compensation arrangements implemented by the Company including stock option plans, employee stock purchase plans, share distribution plans, stock appreciation right plans, other restricted share unit plans or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, pre-existing or otherwise;

“Stock Exchange” means the Toronto Stock Exchange or such other stock exchange on which the common shares are then listed; and

“Termination” means: (i) in the case of an eligible employee, the termination of the employment of the eligible employee with or without cause by the company or a designated affiliate or cessation of employment of the eligible employee with the company or a designated affiliate as a result of resignation or otherwise other than the retirement of the eligible employee; (ii) in the case of an eligible director, the removal of or failure to re-elect the eligible director as a director of the company or a designated affiliate; (iii) in the case of an eligible contractor, the termination of the services of the eligible contractor by the company or a designated affiliate.

Section 1.02 Headings

The headings of all articles, sections, and paragraphs in the Restricted Share Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of the Restricted Share Plan.

Section 1.03 Context, Construction

Whenever the singular or masculine are used in the Restricted Share Plan, the same shall be construed as being the plural or feminine or neuter or vice versa where the context so requires.

Section 1.04 References to this Restricted Share Plan

The words “hereto”, “herein”, “hereby”, “hereunder”, “hereof” and similar expressions mean or refer to the Restricted Share Plan as a whole and not to any particular article, Section, paragraph or other part hereof.

Section 1.05 Canadian Funds

Unless otherwise specifically provided, all references to dollar amounts in the Restricted Share Plan are references to lawful money of Canada.



ARTICLE TWO PURPOSE AND ADMINISTRATION OF THE RESTRICTED SHARE PLAN

Section 2.01 Purpose of the Restricted Share Plan

The Restricted Share Plan provides for the acquisition of Common Shares by Participants for the purpose of advancing the interests of the Company through the motivation, attraction and retention of employees, directors and consultants of the Company and its Designated Affiliates and to secure for the Company and the shareholders of the Company the benefits inherent in the ownership of Common Shares by key employees, consultants and directors of the Company and its Designated Affiliates, it being generally recognized that restricted share plans aid in attracting, retaining and encouraging employees, consultants and directors due to the opportunity offered to them to acquire a proprietary interest in the Company.

Section 2.02 Administration of the Restricted Share Plan

The Restricted Share Plan shall be administered by the Committee and the Committee shall have full authority to administer the Restricted Share Plan including the authority to interpret and construe any provision of the Restricted Share Plan and to adopt, amend and rescind such rules and regulations for administering the Restricted Share Plan as the Committee may deem necessary in order to comply with the requirements of the Restricted Share Plan. All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and conclusive and shall be binding on the Participants and the Company. No member of the Committee shall be personally liable for any action taken or determination or interpretation made in good faith in connection with the Restricted Share Plan and all members of the Committee shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Company with respect to any such action taken or determination or interpretation made. The appropriate officers of the Company are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary for the implementation of the Restricted Share Plan and of the rules and regulations established for administering the Restricted Share Plan. All costs incurred in connection with the Restricted Share Plan shall be for the account of the Company.

Section 2.03 Delegation to Committee

All of the powers exercisable hereunder by the Board may, to the extent permitted by applicable law and as determined by resolution of the Board, be exercised by a committee of the Board comprised of not less than three Directors that are independent as defined in National Instrument 52-110, including any compensation committee of the Board.

Section 2.04 Record Keeping

The Company shall maintain a register of accounts in which shall be recorded:

- (a) the name and address of each Participant in the Restricted Share Plan;
- (b) the number of Restricted Share Rights granted to each Participant under the Restricted Share Plan; and
- (c) the number of Restricted Shares issued to each Participant or the RSR Amount paid to each Participant under the Restricted Share Plan.

Section 2.05 Determination of Participants and Participation

The Board shall from time to time determine the Participants who may participate in the Restricted Share Plan. The Board shall from time to time determine the Participants to whom Restricted Share Rights shall be granted and the provisions and restrictions with respect to such grant(s), all such determinations to be made in accordance with the terms and conditions of the Restricted Share Plan, and the Board may take

into consideration the present and potential contributions of and the services rendered by the particular Participant to the success of the Company and any other factors which the Board deems appropriate and relevant. The Board may require that a Participant who is subject to the taxation laws of a country other than Canada obtain independent legal advice and/or enter into a tax indemnity agreement with the Company prior to receiving a grant of Restricted Share Rights.

Section 2.06 Maximum Number of Common Shares

- (a) The aggregate number of Common Shares reserved for issuance pursuant to Restricted Share Plan and all other Share Compensation Arrangements to all Participants shall not exceed 5.7% of the issued and outstanding Common Shares from time to time, provided that if any Restricted Share Rights granted under the Plan are cancelled or terminated in accordance with the Restricted Share Plan without being settled by issuance of Restricted Shares then the Common Shares subject to those Restricted Share Rights will again be available to be granted under the Restricted Share Plan (and other Share Compensation Arrangements).
- (b) The aggregate number of Common Shares issuable to Insiders pursuant to Restricted Share Rights and all other Share Compensation Arrangements, at any time, shall not exceed 5.7% of the total number of Common Shares then outstanding. The aggregate number of Common Shares issued to Insiders pursuant to Restricted Share Rights and all other Share Compensation Arrangements, within a one year period, shall not exceed 5.7% of the total number of Common Shares then outstanding.
- (c) The aggregate number of securities granted under all Share Compensation Arrangements to any one non-employee Eligible Director in respect of any one-year period shall not exceed a maximum value of Cdn.\$150,000 worth of securities. The value of securities granted under all Share Compensation Arrangements shall be determined using a generally accepted valuation model.
- (d) For the purposes of Section 2.06(c), the aggregate number of securities granted under all Share Compensation Arrangements shall be calculated without reference to:
 - (i) the initial securities granted under the security based compensation arrangements to a person who was not previously an Insider of the Company, upon such person becoming or agreeing to become a director of the Company. However, the aggregate number of securities granted under all security based compensation arrangements of the Company in this initial grant to any one non-employee Eligible Director shall not exceed a maximum value of Cdn.\$150,000 worth of securities; and
 - (ii) the securities granted under the security based compensation arrangements to a director who was also an officer of the Company at the time of grant but who subsequently became a non-employee Eligible Director.
- (e) For purposes of this Section 2.06, the number of Common Shares then outstanding shall mean the number of Common Shares outstanding on a non-diluted basis immediately prior to the proposed grant of the applicable Restricted Share Rights.



ARTICLE THREE RESTRICTED SHARE PLAN

Section 3.01 Restricted Share Plan

A Restricted Share Plan is hereby established for Eligible Employees, Eligible Directors and Eligible Contractors.

Section 3.02 Participants

The Board shall have the right to grant, to any Participant, rights ("**Restricted Share Rights**") to acquire from the Company any number of fully paid and non-assessable Common Shares in consideration of past services to the Company or as an incentive for future services, subject to the Restricted Share Plan and with such provisions and restrictions as the Committee may determine. Each Restricted Share Right entitles the holder: (i) to receive one Restricted Share, without payment of additional consideration, at the end of the Restricted Period or, if applicable, at a later Deferred Payment Date, without any further action on the part of the holder of the Restricted Share Right other than as required by and in accordance with this Article Three, or, subject to the agreement of the Company; (ii) elect to be paid an amount in cash (the "**RSR Amount**") equal to: (A) the number of Restricted Share Rights to be received in accordance with this Article Three multiplied by (B) the Market Value, minus (C) the applicable withholdings; or (iii) a combination of (i) and (ii). For certainty, the Participant shall be entitled to receive Common Shares unless the Participant wishes to receive a cash payment in lieu of Common Shares and the Company agrees to settle the Restricted Share Rights with a cash payment of the RSR Amount.

Notwithstanding the foregoing: (a) in the event that a Deferred Payment Date falls within a trading blackout imposed by the Company (the "**Blackout Period**"), the Deferred Payment Date shall be automatically extended to the first business day following the end of the Blackout Period, unless the Company has agreed and a Participant elects to redeem Restricted Share Rights on the condition that such Participant receive the RSR Amount in respect of such Restricted Share Rights on or before a date specified by the Company for such purpose, in which case the Deferred Payment Date of such Restricted Share Rights shall not be extended; and (b) in the event that a Deferred Payment Date falls on a date that is not a business day, the Deferred Payment Date shall be automatically extended to the next business day.

Section 3.03 Restricted Share Right Grant Letter

Each grant of a Restricted Share Right under the Restricted Share Plan shall be evidenced by a Restricted Share Right Grant Letter issued to the Participant by the Company and agreed to by the Participant. Such Restricted Share Right Grant Letter shall be subject to all applicable terms and conditions of the Restricted Share Plan and may be subject to any other terms and conditions which are not inconsistent with the Restricted Share Plan and which the Board deems appropriate for inclusion in a Restricted Share Right Grant Letter. The provisions of Restricted Share Right Grant Letters issued under the Restricted Share Plan need not be identical.

Section 3.04 Restricted Period

In connection with the grant of Restricted Share Rights to a Participant, the Board shall determine the Restricted Period applicable to such Restricted Share Rights. In addition, at the sole discretion of the Board, at the time of grant, the Restricted Share Rights may be subject to performance conditions to be achieved by the Company or a class of Participants or by a particular Participant on an individual basis, within a Restricted Period, for such Restricted Share Rights to entitle the holder thereof to receive the underlying Restricted Shares.



Section 3.05 Deferred Payment Date

A Participant may elect to defer the receipt of all or any part of such Participant's entitlement to Restricted Shares until one or more Deferred Payment Dates.

Section 3.06 Prior Notice of Deferred Payment Date

A Participant who elects to set a Deferred Payment Date must give the Company written notice of the Deferred Payment Date(s) not later than fifteen (15) days prior to the expiration of the Restricted Period. For certainty, Participants shall not be permitted to give any such notice after the day which is 15 days prior to the expiration of the Restricted Period and a notice once given may not be changed or revoked without the consent of the Board.

Section 3.07 Retirement or Termination during Restricted Period

Subject to Section 3.11 and the provisions of any Employment Agreement, in the event of the Retirement or Termination of a Participant during the Restricted Period, any Restricted Share Rights held by the Participant shall immediately terminate and be of no further force or effect, provided that the Board has the absolute discretion to waive such termination.

Section 3.08 Retirement or Termination after Restricted Period

In the event of the Retirement or Termination of the Participant following the Restricted Period and prior to a Deferred Payment Date, the Company shall satisfy each Restricted Share Right then held by the Participant as provided in Section 3.02 forthwith if the Deferred Payment Date is the Participant's Retirement Date or such later Deferred Payment Date if the date has been extended with the consent of the Board as contemplated in the definition of "**Deferred Payment Date**", subject to the provisions of any Employment Agreement.

Section 3.09 Payment of Dividends

In the event that any cash dividend or other cash distribution is paid by the Company on the Common Shares, a Participant's Restricted Share Rights account will be credited with additional Restricted Share Rights. The number of such additional Restricted Share Rights will be calculated by dividing the cash dividends or other cash distribution that would have been paid to the Participant if the Restricted Share Rights recorded in his or her account as at the date of payment for the cash dividend or other cash distribution had been Common Shares, by the Market Value on such payment date. The additional Restricted Share Rights credited to a Participant's account will be subject to the same terms and conditions, including the Restricted Period and the Deferred Payment Date, as the Restricted Share Rights in respect of which the additional Restricted Share Rights were credited.

Section 3.10 Death or Disability of Participant

In the event of the termination of the Participant's employment with the Company, or a Designated Affiliate, due to disability in accordance with the provisions of any Employment Agreement or death of a Participant, the Restricted Period will be deemed to be over and any Restricted Share Rights held by the Participant shall be satisfied forthwith by the Company as provided in Section 3.02, subject to the provisions of any Employment Agreement.

Section 3.11 Change of Control

In the event of a Change of Control, all Restricted Share Rights outstanding shall be immediately settled by issuance of Restricted Shares notwithstanding the Restricted Period and any applicable Deferred Payment Date.

ARTICLE FOUR WITHHOLDING TAXES

Section 4.01 Withholding Taxes

The Company or any Designated Affiliate of the Company may take such steps as are considered necessary or appropriate for the withholding of any taxes or other amounts which the Company or any Designated Affiliate of the Company is required by any law or regulation of any governmental authority whatsoever to withhold in connection with any Restricted Share Right or Common Share, including, without limiting the generality of the foregoing, the withholding of all or any portion of any payment or the withholding of the issue of Common Shares to be issued under the Restricted Share Plan, until such time as the Participant has paid the Company or any Designated Affiliate of the Company for any amount which the Company or Designated Affiliate of the Company is required to withhold by law with respect to such taxes or other amounts. Without limitation to the foregoing, the Committee may adopt administrative rules under the Plan, which provide for the automatic sale of Restricted Shares (or a portion thereof) in the market upon the issuance of such shares under the Restricted Share Plan for and on behalf of a Participant to satisfy withholding obligations under the Plan.

ARTICLE FIVE GENERAL

Section 5.01 Term of the Restricted Share Plan

The Restricted Share Plan shall remain in effect until it is terminated by the Board.

Section 5.02 Amendment of Restricted Share Plan

The Board may from time to time in its absolute discretion (without shareholder approval) amend, modify and change the provisions of the Restricted Share Plan, including, without limitation:

- (i) amendments of a house keeping nature;
- (ii) the change to the Restricted Period of any Restricted Share Right;
- (iii) any amendments required by the Stock Exchange in order to make the Restricted Share Plan effective.

However, other than as set out above, any amendment, modification or change to the provisions of the Restricted Share Plan which would:

- (a) materially increase the benefits of the holder under the Restricted Share Plan to the detriment of the Company and its shareholders;
- (b) increase the number of Common Shares, other than by virtue of Section 5.06 of the Restricted Share Plan, which may be issued pursuant to the Restricted Share Plan;
- (c) increase the limits imposed on non-employee Eligible Directors in Sections 2.06(c) or 2.06(d); or



- (d) materially modify the requirements as to eligibility for participation in the Restricted Share Plan;

shall only be effective upon such amendment, modification or change being approved by the shareholders of the Company. Any amendment, modification or change of any provision of the Restricted Share Plan shall be subject to approval, if required, by any regulatory authority having jurisdiction over the securities of the Company.

Section 5.03 Non-Assignable

Except as otherwise may be expressly provided for under the Restricted Share Plan or pursuant to a will or by the laws of descent and distribution, no Restricted Share Right and no other right or interest of a Participant is assignable or transferable.

Section 5.04 Rights as a Shareholder

No holder of any Restricted Share Rights shall have any rights as a shareholder of the Company by virtue of holding Restricted Share Rights. Subject to Section 3.09 and Section 5.06, no holder of any Restricted Share Rights shall be entitled to receive, and no adjustment shall be made for, any dividends, distributions or any other rights declared for shareholders of the Company.

Section 5.05 No Contract of Employment

Nothing contained in the Restricted Share Plan shall confer or be deemed to confer upon any Participant the right to continue in the employment of, or to provide services to, the Company or any Designated Affiliate nor interfere or be deemed to interfere in any way with any right of the Company or any Designated Affiliate to discharge any Participant at any time for any reason whatsoever, with or without cause. Participation in the Restricted Share Plan by a Participant shall be voluntary.

Section 5.06 Adjustment in Number of Shares Subject to the Restricted Share Plan

In the event there is any change in the Common Shares, whether by reason of a dividend, consolidation, subdivision, reclassification or otherwise, an appropriate adjustment shall be made by the Board in:

- (a) the number of Common Shares available under the Restricted Share Plan; and
- (b) the number of Common Shares subject to any Restricted Share Rights.

If the foregoing adjustment shall result in a fractional Common Share, the fraction shall be disregarded. All such adjustments shall be conclusive, final and binding for all purposes of the Restricted Share Plan.

Section 5.07 No Representation or Warranty

The Company makes no representation or warranty as to the future market value of any Common Shares issued in accordance with the provisions of the Restricted Share Plan.

Section 5.08 Compliance with Applicable Law

If any provision of the Restricted Share Plan or any Restricted Share Right contravenes any law or any order, policy, by-law or regulation of any regulatory body having jurisdiction, then such provision shall be deemed to be amended to the extent necessary to bring such provision into compliance therewith.



Section 5.09 Interpretation

This Restricted Share Plan shall be governed by and construed in accordance with the laws of the Province of Ontario.

Approved by the Board: October 26, 2009, with Restricted Share Plan effective February 24, 2010.

Approved by the shareholders: November 26, 2009, April 27, 2012, June 23, 2015, June 9, 2016 and June 20, 2019.

Amendments approved by the Board: May 8, 2013, June 10, 2015, April 29, 2016, January 24, 2019, May 7, 2019 and May 11, 2022.



SCHEDULE C MANDATE OF THE BOARD OF DIRECTORS

Purpose

The Board of Directors (the “**Board**”) of Torex Gold Resources Inc. (the “**Corporation**”) is responsible for the supervision of the management of the business and affairs of the Corporation. The Board should manage the responsibilities and obligations set out below, either directly or through committees of the Board, currently consisting of the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee, the Safety and Corporate Social Responsibility Committee and the Technical Committee. The Board will, however, retain the oversight function and ultimate responsibility for the supervision of the management of the business and affairs of the Corporation.

Composition

1. The Board should consist of individuals who possess skills and competencies in areas that are relevant to the business and affairs of the Corporation. At least two-thirds of the directors will be “independent” directors within the meaning of applicable securities laws, instruments, rules and policies and regulatory requirements (collectively “**Applicable Laws**”).
2. The directors of the Corporation will be elected at the annual meeting of the shareholders of the Corporation and shall serve until no longer than the close of the next annual meeting of shareholders, subject to re-election thereat.

Meetings

3. The Board shall have at least four regularly scheduled meetings in each financial year of the Corporation.
4. The Chairman of the Board (the “**Chairman**”), the President and Chief Executive Officer (the “**CEO**”) and the Lead Director of the Board (the “**Lead Director**”), if any, are responsible for the agenda for each meeting of the Board. Prior to each Board meeting, the Chairman and the CEO should discuss agenda items for the meeting with the Lead Director, if any. Materials for each meeting should be distributed to the Board in advance of the meeting.
5. Directors are expected to attend at least three quarters of all meetings of the Board held in each financial year of the Corporation and to adequately review meeting materials in advance of each meeting.
6. The independent directors (in this context, meaning directors who are not also senior officers or are not independent within the meaning of Applicable Laws) should hold an *in camera* session without the non-independent directors and any senior officers present at each meeting of the Board, unless such a session is not considered necessary by the independent directors present. The Chairman, if independent, and if not independent, the Lead Director if any, should chair the *in camera* sessions.

Board Committees

7. The Board may appoint such committees from time to time as it considers appropriate. Each permanent committee shall have a mandate that is approved by the Board, setting out the responsibilities of, and the extent of the powers delegated to, such committee by the Board.

Responsibilities

Oversight of Management and the Board

8. The Board is responsible for the appointment, and replacement, of senior officers of the Corporation. The Board should ensure that appropriate succession planning, including the appointment, training and monitoring of the senior officers and members of the Board, is in place.
9. The Board is responsible for satisfying itself as to the integrity of the CEO and the other senior officers and that the CEO and the other senior officers create a culture of integrity throughout the Corporation.
10. The Board should annually consider what additional skills and competencies would be helpful to the Board, with the Corporate Governance and Nominating Committee being responsible for identifying specific candidates for consideration for appointment to the Board.
11. If the Chairman is not independent within the meaning of Applicable Laws and a Lead Director is required, or is considered desirable by the Board, the Corporate Governance and Nominating Committee will recommend a candidate for the position of Lead Director from among the independent members of the Board. The Board will be responsible for appointing the Lead Director.
12. Through the Compensation Committee, the Board should review the compensation of directors to ensure that the compensation realistically reflects the responsibilities and risks involved in being an effective director and should review the compensation of the Senior Executives (as defined in the Compensation Committee Mandate) to ensure that it is competitive within the industry and that the form of compensation aligns the interests of each senior officer with those of the Corporation. Any recommended changes in the compensation of the directors and/or the compensation of the Senior Executives shall be submitted to the Board for consideration.
13. The Board should review and assess, or delegate such review and assessment to an appropriate committee of the Board, the policies (the “**Policies**”) of the Corporation previously approved by the Board, from time to time, including without limitation: (a) the Code of Conduct and Business Ethics; (b) Whistleblower Policy; (c) Disclosure Policy; (d) Insider Trading Policy; (e) Anti-Bribery and Anti-Corruption Policy; (f) Majority Voting Policy; (g) Share Ownership Policy; (h) Diversity Policy; (i) Mandatory Retirement Policy; (j) Say on Pay Advisory Vote Policy; (k) Clawback of Incentive Compensation Policy, (l) the Monetary Authority Policy; and (m) the Hedging Policy. If such review and assessment is delegated to a committee of the Board, such committee shall submit any proposed amendments to a Policy to the Board for consideration.
14. The Board should act in an advisory capacity to the senior officers of the Corporation in all matters concerning the interests and management of the Corporation.

Financial Matters

15. The Board is responsible for reviewing the financial and underlying operational performance of the Corporation.
16. The Board should review and approve the annual audited financial statements, management’s discussion and analysis, press release and other financial information related to such annual audited financial statements, budgets and forecasts, annual information form and management information circular of the Corporation.

17. The Board delegates to the Audit Committee the review and approval of the quarterly unaudited financial statements, the management's discussion and analysis and press release and other financial disclosure related thereto. If requested by the Audit Committee, the Board should review and approve the quarterly unaudited financial statements and the management's discussion and analysis, press release and other financial disclosure related thereto.
18. The Board should annually review, together with the Audit Committee, the directors' and officers' third-party liability insurance, and other insurance, of the Corporation.
19. The Board, primarily through the Audit Committee, should monitor and ensure the integrity of the internal controls and procedures (including adequate management information systems) within the Corporation and the financial reporting procedures of the Corporation.
20. The Board is responsible for considering, and if established, reviewing from time to time, a dividend policy for the Corporation.

Business Strategy

21. The Board has primary responsibility for the strategic direction of the Corporation, including the long-range and short-range goals, plans and policies of the Corporation. The Board will provide advice, counsel and mentorship to the CEO with respect to matters of strategic significance and will contribute to the development of the strategic direction of the Corporation by approving, at least annually, a strategic plan and budget developed and proposed by the senior officers, subject to any changes required by the Board. The strategic plan and budget should take into account the business opportunities and business risks of the Corporation. The Board will review with the senior officers from time to time the strategic planning environment, the emergence of new opportunities, trends and risks and the implications of these factors on the strategic direction of the Corporation. The Board will review and approve the financial objectives, plans and actions of the Corporation, including significant capital allocations and expenditures.
22. The Board is responsible for ensuring that procedures are in place to appropriately manage the principal business risks of the Corporation.
23. The Board should monitor corporate performance against the approved strategic plan and budget, including assessing operating results, to evaluate whether the business of the Corporation is being appropriately managed.
24. The Board is responsible for reviewing and approving all material transactions affecting the Corporation not contemplated in the strategic plan and budget approved by the Board.

Communications and Reporting to Shareholders

25. The Board is responsible for overseeing the continuous disclosure program of the Corporation, with a view to satisfying itself that adequate procedures are in place to ensure that material information is disclosed in accordance with Applicable Laws.
26. The Board will ensure that the Corporation has a disclosure policy which includes a framework for investor relations and public disclosure.

Corporate Governance

27. The Corporate Governance and Nominating Committee will recommend, and the Board will establish, the Board's approach to corporate governance.
28. The Board is responsible for assessing annually its own effectiveness in fulfilling this mandate and shall assess from time to time this mandate, as well as the mandate of each committee (considering, among other things, the recommendations of the applicable committee).
29. The Board is responsible for evaluating the relevant relationships of each independent director and is required to make an affirmative decision that any such relationship does not preclude a determination that the director is independent within the meaning of Applicable Laws.
30. The Board is responsible for ensuring the establishment of appropriate standards of corporate conduct and should ensure that adequate procedures are in place to monitor compliance with the Code of Business Conduct and Ethics of the Corporation. Only the Board may grant waivers of the Code of Business Conduct and Ethics which would be to the benefit of any director or senior officer.

General

31. The Board is responsible for performing such other functions as are prescribed by law, including all Applicable Laws.
32. The Board may at any time retain outside financial, legal or other advisors at the expense of the Corporation. Any director may, subject to the approval of the Corporate Governance and Nominating Committee, retain an outside financial, legal or other advisor at the expense of the Corporation.
33. Except in exceptional circumstances, draft minutes of each meeting of the Board shall be circulated to the Board for review within 14 days of the date of such meeting.

Feedback

34. The Board welcomes input and comments from shareholders of the Corporation relating to this mandate. Such input and comments may be sent to the Board at the head office address of the Corporation.

